

Company Registration Number: 09174154 (England & Wales)

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

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SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Barberi and Newman Academy Trust
Cathedral House
St Chad's Queensway
Birmingham
B4 6EU

Trustees

J Griffin, Chair
J Rowe, Vice Chair¹
C Van Vliet, Principal and Accounting Officer (resigned 31 August 2019)¹
D Finucane
D Harris (term ended 30 November 2018)¹
D Kehoe¹
S Horan, Principal to 31 August 2019 and Catholic Senior Executive Leader (CEO)
from 1 September 2019¹
P Berry (term ended 30 November 2018)
B McArdle (term ended 7 December 2018)
C Beech (resigned 15 July 2019)
P Parry
C Piggott
G Taylor-Smith

¹ Resources committee

Company registered number

09174154

Company name

Saint Nicholas Owen Catholic Multi Academy Company

Registered office

Hagley Catholic High School, Brake Lane, Hagley, Worcestershire, DY8 2XL

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Principal operating office

39a Birmingham Road, Blakedown, Worcestershire, DY10 3JW

Company secretary

Karl Wilcox to 31 August 2019 and Amanda Hodder from 1 September 2019

Chief executive officer

Suzanne Horan from 1 September 2019

Academy Senior Leadership Team (at 31 August 2019 unless stated)

Suzanne Horan (to 31 August 2019), Principal - Hagley Catholic High
James Hodgson (from 1 September 2019), Principal - Hagley Catholic High
Kesner Morris, Vice Principal - Hagley Catholic High
Elaine Yates, Chair of Academy Committee - Hagley Catholic High
Emma Brocklesby, Principal - St Ambrose Catholic Primary
Helen Stewart, Vice Principal & Acting Principal from 17/09/18 – 01/07/19
Peter Parry (to 15 October 2018), Chair of Academy Committee - St Ambrose Catholic Primary
Janet Rowe (from 16 October 2018), Chair of Academy Committee - St Ambrose Catholic Primary
Andrew Carry, Principal - St Joseph's Catholic Primary
Josephine McCole, Vice Principal - St Joseph's Catholic Primary
Sarah Price, Chair of Academy Committee - St Joseph's Catholic Primary
Olga O'Beirne, Principal - St Mary's Catholic Primary
Isabel Borriello (from 1 September 2018), Vice Principal - St Mary's Catholic Primary
Caroline Beech, Chair of Academy Committee - St Mary's Catholic Primary
Kim Savage, Principal - St Wulstan's Catholic Primary
Sue Edwards, Vice Principal - St Wulstan's Catholic Primary
Patrick Kennedy (to 21 October 2018), Chair of Academy Committee - St Wulstan's Catholic Primary
Angela Randle (from 22 October 2018), Chair of Academy Committee - St Wulstan's Catholic Primary
Clare van Vliet, Principal - Our Lady of Fatima Catholic Primary
David Simmons, Vice Principal from 1st September 2018 & temporary acting Principal
from 1 September 2019 - Our Lady of Fatima Catholic Primary
Lorraine Cemm, Chair of Academy Committee - Our Lady of Fatima Catholic Primary

Independent auditors

BDO LLP, Two Snowhill, Birmingham, B4 6GA

Bankers

Lloyds Bank plc, PO Box 1000, BX1 1LT

Solicitors

Howes Percival LLP, Oxford House, Cliftonville, Northampton, NN1 5PN

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

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

The Saint Nicholas Owen Catholic Multi Academy Company operates five primary schools (St Ambrose – Kidderminster; St Joseph's – Stourbridge; St Mary's - Brierley Hill; St Wulstan's – Stourport on Severn and Our Lady of Fatima – Harborne) and one secondary school (Hagley Catholic High – Hagley) across the West Midlands area to the south west of Birmingham. In accordance with the Funding Agreement of 2014, each primary school has the theoretical capacity to accommodate two hundred and ten pupils and the secondary school can accommodate (including post 16) one thousand and thirty-three pupils. The total potential combined capacity (as per the Funding Agreement of 2014) of Saint Nicholas Owen Catholic Multi Academy Company is therefore two thousand and eighty-three (2,083). The combined actual pupil population on roll as recorded in the school census in January 2019 stood at two thousand one hundred and fifteen (2,115). This increase is the result of Hagley Catholic High School admitting approximately twenty additional pupils each year at year seven intake for the last four years to accommodate increased demand for baptised Catholic places. The school is oversubscribed and this increase is partially off-set by a reduction in post sixteen numbers over that time.

The catchment area of the organisation is large and not defined by geographic or distance boundaries. Pupils are drawn from a wide geographic area that encompass the central and south districts of West Midlands from central Birmingham in the north to Stourport on Severn in the south (north Worcestershire).

Pupils are admitted in accordance with the admission arrangements published on each retrospective member academy web site. The admissions authority is the Board of Directors of the St Nicholas Owen Catholic MAC who has responsibility for admissions. The Board delegates the responsibility for the administration of the admissions process to the Academy Committee of each respective academy. To apply for a place in the normal admissions round, an application must be made using the academy's admission application process in accordance with the published timeline. Places are allocated using the criteria set out on the web site which, in general terms, is based on proximity to the school and then a set of other ranking rules in the event of oversubscription.

Structure, governance and management

a. Constitution

The company is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association is the primary governing document of the company.

The Trustees of Saint Nicholas Owen Catholic Multi Academy Company are also the directors of the charitable company for the purposes of company law.

Saint Nicholas Owen Catholic Multi Academy Company is one of many Catholic multi academy companies that operate within the Birmingham Diocese of the Catholic Church. These Multi Academy Companies are subsidiary companies to the Barberi and Newman Academy Trust (Company number 8183803) whose members are drawn from Birmingham Diocesan Trustees. Saint Nicholas Owen Catholic Multi Academy Company consequently has a single member which is the Barberi and Newman Academy Trust. Power to appoint the majority of the Trustees (Directors) of Saint Nicholas Owen Catholic Multi Academy Company is however held by the Diocesan Bishop under articles 46a and 50. The trustee responsibilities and objectives are set out within the Articles of Association and further clarified by the Master Funding Agreement and Scheme of Delegation. A copy of these documents can be found on the company web site <http://www.stnicholasowen-mac.org.uk>

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

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

b. 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.

c. Trustees' indemnities

For the period ended 31st August 2019 the Company purchased insurance equivalent cover to protect its Members, Trustees/Directors, Academy Representatives and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust /Company business. From 1st September 2018 this insurance equivalent cover is provided under the Government's Risk Protection Arrangement for Academy Trusts (RPA). The cover provides up to £10,000,000 in aggregate claims in any one year.

d. Method of recruitment and appointment or election of Trustees

Full details are set out within the Articles of Association which detail the type, number and process of appointing Trustees/Directors. The minimum total number of Trustees/Directors is three but there is no maximum specified (Article 45). All Trustees/Directors must, upon appointment or election, sign a written undertaking to the Founder Member, the Diocese of Birmingham Trustees (Birmingham Roman Catholic Diocesan Trustees who are registered as a body corporate under Part 12 of the Charities Act 2011 - Registered charity number 234216) and the Catholic Diocesan Bishop (Article 45A). The form of that undertaking is set out as Annexure 2 of the Articles.

Subject to Articles 46 to 49 the Company shall have the following 'Directors':

- such number of Foundation Directors so as to constitute a majority of the Directors by at least two from time to time and shall be appointed under Article 50. No such Foundation Director shall be or become an employee of the Company;
- a maximum of two Staff Directors appointed under Article 50B;
- two Parent Directors appointed under Articles 53-56B;
- a maximum of two of the Principals of the Academies may be appointed as a Director under Articles 51A and 52;
- the Executive Principal (if any) appointed in accordance with Article 57A shall be a Director;
- the Company may also have up to three co-opted Directors appointed under Article 58.

The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Future Directors shall be appointed or elected, as the case may be, under the Articles of Association.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

New Trustees/Directors and Academy Representatives are formally written to on appointment and supplied with relevant details on Governance as well as a copy of the Scheme of Delegation and information from the Birmingham Diocese. They are given access to a dedicated web portal which contains presentations from past training events, information, material and links to key documents and policies.

Training is also available from both internal and external providers and some key training is now provided through e-learning and online courses. Trustees/Directors and Academy Representatives are encouraged to attend training events but some training is deemed compulsory and attendance/participation is therefore a requirement e.g. Safeguarding. Opportunities for key governance members to meet others and senior teams are made available as well as contributing to strategic leadership through targeted group meetings of Academy Committee Chairs and school Principals

f. Organisational structure

The Board of Trustees/Directors have the ultimate responsibility for the Saint Nicholas Owen Catholic Multi Academy Company. Where appropriate, duties are either delegated to a Directors subcommittee or to Academy Committee/s. The key delegation to Academy Committee level is set out within a written Scheme of Delegation and each subcommittee's remit is set out within terms of reference which are agreed and periodically reviewed by the Board of Directors (Trustees).

Up until 31 August 2019 the Accounting Officer was also a Principal Director of the Company and had ultimate responsibility for the financial operations and controls in place. Delegation of financial responsibility is set out within the Company's Financial Regulations and more specifically in the Scheme of Financial Delegation (Financial Regulations – Appendix N). From 1 September 2019 the Accounting Officer is the newly appointed Catholic Senior Executive Leader (CSEL/CEO).

Up until 31 August 2019, the role of Finance Director/Principal Finance Officer was incorporated into the post of MAC Business Director who reports directly to the Chair of the Board of Trustees/Directors. From 1st September 2019 this has been incorporated into the role of Chief Finance and Operations Officer who reports directly to the Catholic Senior Executive Leader. Leadership and Management across the Multi Academy Company is delegated by Directors to the Senior Leadership Team of each Academy.

The Board of Trustees/Directors maintains overall control for:

- the activities and performance of the Company
- the appointment of Directors (see Method of Recruitment and Appointment or Election of Trustees/Directors above) and Academy Representatives
- the appointment of key senior management such as academy principals/vice principals, the Business Director (to 31 August 2019), Catholic Senior Executive Leader, Chief Finance and Operations officer
- significant external partners and major contracts
- the approval of annual financial statements, statutory accounts, statutory returns and budgets
- the approval of key corporate policies
- ratifying policies and procedures implemented within the Company

The Board, in the performance of its duties, pays due regard to the advice and information provided by the supporting committees including the individual school based Academy Committees.

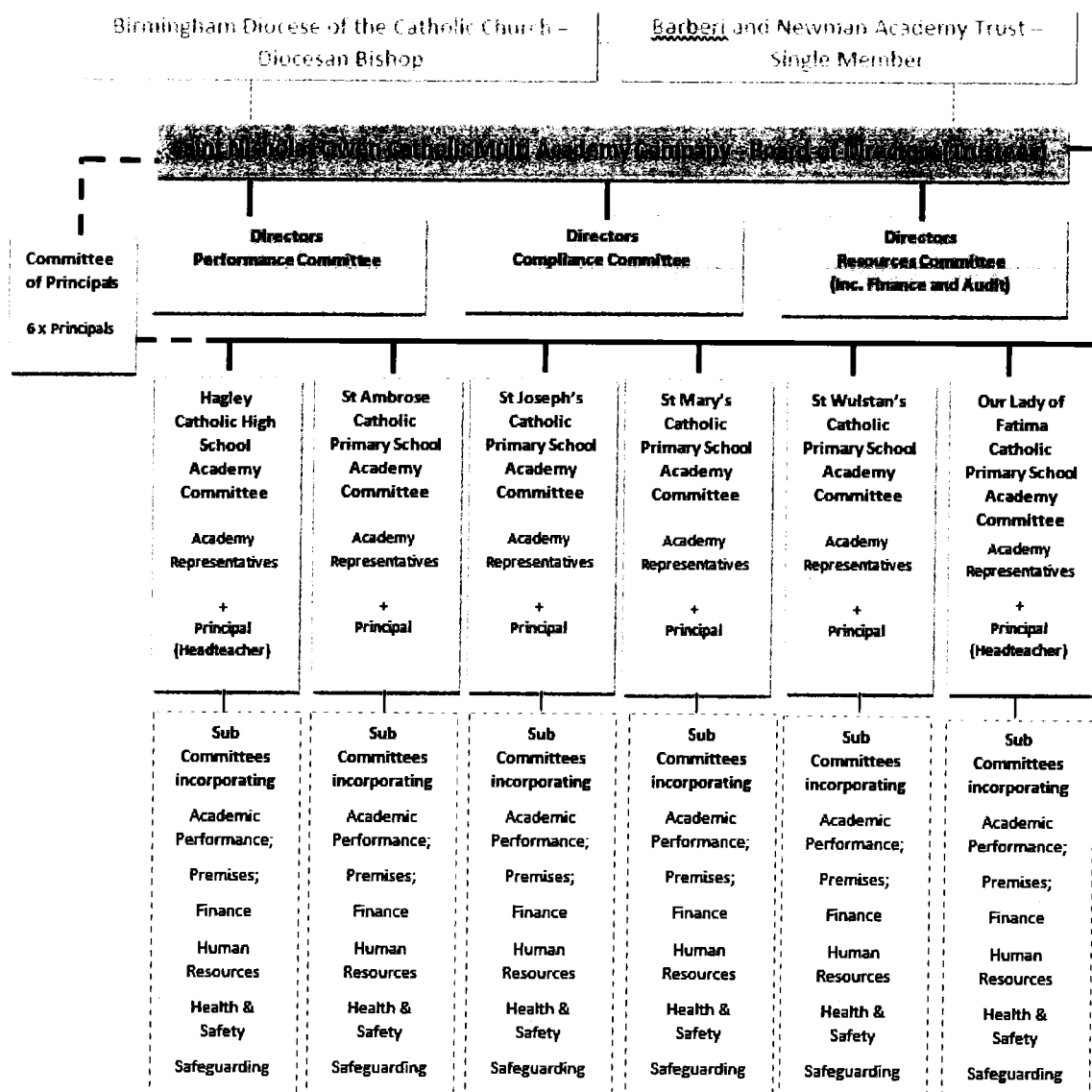
From September 2019, the Catholic Senior Executive Leader (CSEL/CEO) works with the Directors to ensure effective delegation of leadership and management across the Multi Academy Company.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Governance Structure 1 September 2018 – 31 August 2019



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Purpose and Core Function of Directors' Subcommittees

Performance	Compliance	Resources
Key Responsibilities:		
<ul style="list-style-type: none"> • Educational performance • Educational standards • Professional performance • Leadership development and succession 	<ul style="list-style-type: none"> • Legal, regulatory, statutory and contractual compliance • Effectiveness of governance • Buildings and grounds • Health, Safety and Wellbeing • Risk recognition and management 	<ul style="list-style-type: none"> • Financial Planning • Financial Performance • Financial Management • Risk Management • Personnel/HR. • Internal Control • Value for Money • Audit • Contracts • Asset Management
Core Functions To:		
<ul style="list-style-type: none"> • consider the Catholic character of the St Nicholas Owen Catholic Multi Academy Company schools and make recommendations to sustain, nourish and develop it further • consider the schools' performance [attainment /pupil progress/ safeguarding/ Ofsted grading] and to assess their implications for the Company. • contribute to the formulation of each Academy's Development / Improvement Plan with due consideration of financial priorities and stated aims and objectives of the Company • make recommendations to the Board and to the individual Academy Committees on issues relating to the educational character and mission of member academies • receive and consider reports from the appointed School Improvement Partners and to oversee the implementation of their recommendations and to review, in conjunction with the relevant Academy Committee and Principal, their impact • have strategic oversight of standards and performance across all Saint Nicholas Owen Catholic Multi-Academy Schools including the following aspects:- <ul style="list-style-type: none"> ➢ Safeguarding ➢ Achievement and Progress for all groups of learners ➢ Disadvantaged, Gifted & Talented and Disabled & Special Educational Needs Learners ➢ Whole School Reviews (External and Internal) ➢ Progress and Achievement data at all levels: external and, as appropriate, internal ➢ Ofsted and Diocesan inspections and reports ➢ School Development / Improvement Plans ➢ School Profiles and Self Evaluations ➢ Staff, Parent and Learner Questionnaires ➢ Target Setting for End of Key Stage Statutory Testing / Public Examinations ➢ Curriculum and Assessment policies and practice ➢ Reporting to parents • ensure the induction of all new staff is professionally and rigorously carried out • ensure that the professional needs of all staff are being properly addressed • oversee the annual performance management processes for the principals • ensure all relevant communications are maintained by the MAC with the communities it serves 	<ul style="list-style-type: none"> • ensure compliance with safer recruitment procedures • ensure appropriate consultation with recognised trade unions and other recognised representatives • ensure health and safety compliance with current regulation and company policy • ensure compliance with statutory and regulatory maintenance of buildings and equipment • ensure relevant and effective communication with the communities served • ensure a unified approach is applied to communications with the media • review Company policies and advise schools and Academy Committees as required • monitor the effective and consistent implementation of Company policies and procedures • monitor the effectiveness of schools and Academy Committees in promoting effective safeguarding and child protection policies and procedures • review and monitor the Company risk register reporting any major issues to the BoD • monitor and advise Academy Committees on risk management • monitor the Company's compliance with regulations together with adherence to both Charity and Company law. • review the Company strategy and action plan and make recommendations to the BoD as appropriate 	<ul style="list-style-type: none"> • consider indicative grant funding to assess its implications for the Company • perform the initial review of the annual budget and make recommendation to the BoD • contribute, to the formulation of each Academy's Development Plan • receive and make recommendations on budget headings to be adopted each year, including the level and use of reserve funds • monitor and review expenditure to ensure compliance with financial plans and the regulations • liaise with and receive reports from the other Committees and to make recommendations • monitor and review financial policies & procedures • review the Draft Statutory Annual Financial Statement and Reports and recommend for acceptance • receive Internal Audit / Responsible Officer reports and to recommend corrective actions to the BoD • make recommendation to the BoD in respect of capital expenditure • approve the awarding of any contracts or purchase orders over limits defined within the financial regulations • ensure that the Company receives value for money from all goods and services procured or contracted • monitor the integrity of the financial statements of the Company • consider and advise the BoD on the Company's annual and long-term audit programme • to make recommendations regarding the appointment, reappointment and removal of the external auditor • discuss with the external auditor the nature and scope of each audit and the findings of the audit once completed • consider all relevant reports by the Accounting Officer • monitor the implementation of action to address adverse control findings • review the effectiveness of the Company's internal control system • review the operation of the Company's codes of practice • contribute to the continuing development of workforce and human resource strategies that support the company's strategic objectives • ensure that the company is fraud aware and maintains extreme vigilance against fraud • monitor fraud and attempted fraud, and to ensure appropriate zero tolerance action is taken in response

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Trustees/Directors appoint all senior positions at Vice – Principal and above within the Company.

For each school/academy this is all positions above that of Assistant Principal. At present such positions are primarily those of Principal and Vice Principal but at times this may be extended to other temporary posts above Assistant Principal level. Pay and remuneration for these positions follows established industry norms. Principal/Vice-Principal pay ranges are set in accordance with national terms and conditions associated with school size (School Teachers Pay and Conditions Document and Guidance on School Teachers Pay and Conditions). Annual increments are awarded in accordance with a robust process of performance management that, at the level of Principal, requires final formal 'sign off' at Board level.

Each Principal is subject to a pay review and this is conducted by the respective academy committee supported by the company assigned School Improvement Partner and at least one Director. The recommendation of the academy committee is passed to the Board of Trustees/Directors for a decision in the autumn term. From September 2019, the Catholic Senior Leader will support the academy committee and Directors with the Principals' performance management and pay review.

In addition, the Board of Directors (Trustees) appoint senior central officers. Up until 31 August 2019 this was the MAC Business Director (Finance Director). Pay and remuneration for this post was set at appointment as a scale of four incremental points based on the NJC national pay scale for public sector workers within schools. Increments were awarded annually up to the maximum point on the range. During 2018/19 the organisation appointed a Chief Executive Officer (Catholic Senior Executive Leader or CSEL). The salary and terms and conditions for this post, which commenced on 1 September 2019, is competitive and based upon the School Teachers Pay and Conditions Document. The level of remuneration is set by the Board and will be reviewed annually. A Chief Finance and Operations Officer was also appointed for September 2019, whose pay and remuneration was set at appointment as a scale of five incremental points, based on the NJC national pay scale for public sector workers within schools. Increments are reviewed annually as part of the performance management process.

The Board of Trustees/Directors consider the recommendations of the respective national cost of living pay rise negotiating committees such as the School Teachers Review Board and award cost of living pay rises following an internal review and debate which will include an assessment of affordability.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	5

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £000

Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Company through Hagley Catholic High School was associated with the Continuum Trust until 31 March 2019. This is a not for profit body centred on the Wyre Forest and Hagley area which aims to foster effective working relationships and cooperation between local secondary schools. Despite having withdrawn from the Continuum trust in March 2019, Hagley Catholic High School has continued its relationship with the Four Stones MAT (Haybridge High School and Sixth Form and King Charles 1 School) in order to provide broad and balanced Sixth Form provision for our students.

See also our connection with the Barberi and Newman Academy Trust (Company number 8183803) and the Birmingham Roman Catholic Diocesan Trustees (Registered charity number 234216) set out in Constitution, Organisational Structure and Method of Recruitment and Appointment or Election of Trustees/Directors sections above.

Saint Nicholas Owen is connected to the Newman University (05493384) as a result of Deirdre Mary Finucane being Member of the Council of the University and a Director of the MAC.

Kemp House is a charitable organisation that is a related party as a result of Janet Rowe and Caroline Beech being Trustees of the charity and Directors of the MAC.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

a. Objects and aims

Saint Nicholas Owen Catholic Multi Academy Company is restricted in its principal object and in its aims through a number of funding agreements with the ESFA and agreements including leases with the Catholic Church. Funding is granted to the Company by the ESFA in order to advance for the public benefit, education in the United Kingdom. This will include establishing, maintaining, carrying on, managing and developing schools (academies) which offer a broad and balanced curriculum. These schools (academies) will be conducted as Catholic schools (academies) in accordance with the Code of Canon Law of the Latin Church and the doctrinal, social and moral teachings of the Catholic Church as advised from time to time by the directives and policies issued by the Diocesan Bishop; so as to ensure that formation, governance and education within Saint Nicholas Owen Multi Academy Company academies is based on the principles of Catholic doctrine, and at all times serving as a witness to the Catholic faith in our Lord Jesus Christ.

Motto

In Jesus we live learn and serve.

Our Mission

Saint Nicholas Owen Catholic Multi Academy Company is committed to excellent education for all rooted in Gospel values, inspiring a love for life-long learning and following the compassion of Christ.

b. Objectives, strategies and activities

In 2016 the Directors approved and published (see web site) a Saint Nicholas Owen Catholic Multi Academy Company - Strategic Development Plan 2016 – 2021. This document sets out a clear direction of travel for the Company over a five-year period and a framework of how progress and performance will be measured, as outlined by the headings and sub-headings as outlined below:

1) Quality of Education:

Teaching and Learning; Academic Performance; Leadership and Management

2) Ethos, Culture and Community:

Safeguarding and Welfare; Personal Development and Behaviour; Catholic Life; Ethos; Community Relations and Cohesion

3) People:

Professional Development; Workforce Relations

The plan is formally reviewed bi-annually. All schools (academies) produce an annual school specific development plan which take their overall direction from the Company Five Year Strategic Development Plan.

In 2018-19 performance against the measures of progress set out within the SDP were reviewed by respective sub committees. It was found that outcomes against target were generally in line with or better than those expected in key areas.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY **(A Company Limited by Guarantee)**

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2019**

Objectives and activities (continued)

Main Objectives of School Specific Development Plans

To provide the best possible education for all pupils through excellence in teaching, individual pupil centred nurture, support, and development and school to school support.

To ensure the best possible outcomes and destinations for all groups of learners.

To nurture effective and inspiring leadership and management throughout Saint Nicholas Owen Catholic Multi Academy Company.

To encourage, preserve and uphold:

- The safety of pupils and all other stakeholders
- All aspects of child protection and welfare
- Personal Development and the wellbeing of others in our whole community
- The highest standards of individual behaviour
- Gospel values
- The compassion of Christ
- A love for life-long learning
- Respect and tolerance of others

A summary of key outcomes of School Specific Development plans delivered in 2018-19 is outlined below:

Hagley Catholic High School

Leadership and Management:

- As a result of effective financial management, the school was able to both meet budgeting objectives and purchase additional resources to enhance teaching and learning and the school environment in addition to improving pupil outcomes
- A more robust induction programme for Academy Committee members was introduced to enable the role to be carried out more effectively. The quality of staff being held to account by the Academy Committee improved via CPD and an updated and improved subject link programme with more regular meetings between ACMs and middle leaders
- School improvement Partner reports identified an improvement in teaching and learning via enhanced triangulation of data as a result of the development of SLT link meetings, development of middle leaders, embedding the role of Raising Standards Leader and developing intervention strategies via PiXL
- Expectations of staff and student behaviours within the school were clarified to improve pupil behaviour
- Work started on the Y6 – Y7 transition between key stage 3 co-ordinators and MAC primary schools to inform curriculum development, as well as Pastoral, to ensure effective transition from Y6 to Y7 to prevent any pupil regression

Teaching and Learning

- Academic monitoring and reporting systems were improved to support pupil progress
- Further work was done by middle leaders on the use of Grade Ladders and flight paths of skills to ensure more accurate assessment and staff teaching to skills

Pupil Outcomes:

- The aspirational targets set at whole-school level and within each subject area, together with the teaching and learning initiatives outlined above, resulted in an improved progress 8 score of 0.35 for all pupils and 0.28 for the disadvantaged

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Personal Development Behaviour and Welfare:

- Whole school Behaviour Management System were improved to enable disruptive behaviours to be dealt with more effectively. This included the development of departmental, SLT and extended SLT support systems so that disruptive behaviours were not allowed to impact on the learning of others
- The system for recording and monitoring whole-school, extra-curricular, leadership and offsite opportunities was developed to enable tracking for all groups of pupils across all phases
- The role of Teacher in Charge of Character and Culture was developed so that PiXL Edge was trialled with Y10 to prior to launching with the whole school in 2019/20. This included reviewing how protective behaviours are taught across the school
- A non-teaching CEIAG Coordinator/Advisor was appointed during the academic year 2018/19 which resulted in the school making significant headway with meeting the Gatsby Benchmarks

Our Lady of Fatima Catholic Primary School

Leadership and Management:

To develop and embed consistent outstanding practice of pupils leading collective worship, as modelled by all teachers

- Collective worship has a clear purpose, message and direction
- Staff are knowledgeable and skilled in planning, leading and evaluating worship under the headings of prepare, gather respond and go forth
- Collective worship reflects the distinct Catholic nature of Our Lady of Fatima and takes into account the variety of faith and belief backgrounds of pupils
- Pupils are becoming skilled in the planning, leading and evaluating of worship
- Appropriate prayers and styles of praying are chosen for collective worship
- The school continues to engage more and strengthen links with the local parish

Teaching and Learning

To close the gap in attainment and progress of disadvantaged pupils to identify any statements of underachievement in reading and writing. Prepare, plan, deliver and assess against the national Curriculum so that the percentage of disadvantaged pupils working at age-related expectations or greater depth is in line with other pupils

- The gap between disadvantaged and other pupils is starting to narrow on internal tracking systems (Target Tracker) stats
- End of KS data is on track to show that disadvantaged pupils make at least the same progress and achieve the same standard as other pupils
- Disadvantaged groups of learners have been created on Target Tracker so that there is close monitoring of progress throughout the year
- TAs have been deployed to target teach disadvantaged pupils who are on track for age-related and greater depth
- Regular scrutiny/monitoring in reading and writing of disadvantaged pupils (Curriculum Monitoring File)
- Staff INSET training on Greater Depth in writing was provided in Spring 1, with an additional staff meeting on handwriting, spelling, guided reading and writing provided to staff in the Summer Term
- Lesson observations evidence that starting points match the differentiated needs of learners and flexibility is exercised by modifying lessons as appropriate
- Daily reading programmes are in place for underachieving pupils to focus on reading skills outlined in the content domains
- Homework is fine-tuned so that it provides a greater opportunity for pupils to develop specific reading and writing skills

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Pupil Outcomes

To develop the teaching of mastery skills in Mathematics leading so that a greater proportion of statements are Age Related and the proportion of Greater Depth increases compared to 2017/18

- Teaching of Maths has improved and is evidenced in SIP reports and lesson observations (Lesson Observation File and Curriculum Monitoring File)
- Subject leader monitoring confirms that standards of teaching and learning have improved
- The same proportion of pupils are on track to achieve Greater Depth statements in maths in Year 6 compared to the previous year – with lower initial predictions made with the cohort at the beginning of the year this is good achievement Inset, moderation and training to further secure teachers' knowledge of accurate assessments took place in Spring 19
- The whole school approach to all lessons following the structure of fluency, reasoning and problem solving is impacting on outcomes
- Each class uses the appropriate resources so that difficult mathematical concepts are thoroughly taught
- Class teachers systematically follow the White Rose scheme of work for progression skills
- Good or outstanding practice seen within class continues to aid the children in mastering the curriculum but also challenges the children working towards Greater Depth
- Adaptation of lessons, specific focus given and interventions implemented further challenged and engaged writers working towards Greater Depth
- Target Tracker used to maintain accurate assessments and challenge those with high statement coverage to a Greater Depth standard
- Good practice shared during staff meetings

St Ambrose Catholic Primary School

Catholic Ethos:

Raise the participation of pupils in the Catholic Life of the school enabling more pupils to take the lead in Liturgies

- Year 6 pupils planned and delivered liturgies for every year group enabling every child to participate, liturgies were planned and moderated by R.E. Leader and Parish Priest
- Pupils from every year group planned and organised a charitable event

Leadership and Management:

- Pupil progress meetings took place every half term
- Targets were set and reviewed for every pupil ensuring clear expectations were in place
- Opportunities for most able pupils were evident in every lesson. Evidence was gained from lesson observations, book trawls and pupil voice
- Learning opportunities challenged pupils at an appropriate level and were evident through observation and book trawls, which demonstrated a learning journey
- Academy Committee established with curriculum roles. All Committee members aware of school development priorities and have attended challenge training
- Literacy, Maths and R.E. leaders attended pupil progress meetings and monitored progress of every pupil. Tracking sheets were produced to show progress of pupils. Any pupils not achieving were targeted for intervention, this is evidenced in class provision maps
- Interventions were evaluated and evidence was analysed with baseline and exit data showing progress for over 75% of pupils
- External Moderators validated Early Years and Year 2 teachers judgements June 2019

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Teaching, Learning and Pupil Outcomes/SEND:

Improve the rigour of monitoring the progress of every child

- Pupil premium tracking sheets developed to show intervention programmes are effective in closing the gap
- Over 75% of pupils made progress on appropriate intervention programmes
- Rigour of monitoring improved as SENCO led half termly review meetings ensuring entry and exit data evaluated
- Impact of rigour of progress ensured 44 pupils accessed interventions enabling all pupils to close gap academically or socially
- Adoption of a consistent assessment system (Pira and Puma tests) ensured that planning is matched to ability
- Initial assessment and RAG rating of interventions ensured they were effective in moving learning forward
- Whole School provision map established to monitor the impact of interventions accelerating the progress of pupils with special educational needs

Personal Development, Behaviour and Welfare

- Parents received weekly attendance updates via school newsletter
- Parents contacted via push notification if attendance of their child falls below 96% and 94%
- Parents contacted via letter and invited in for a meeting if attendance drops below 92%
- Attendance visible around school in the hall and in every classroom
- Attendance prizes weekly, half termly, termly and yearly
- Behaviour policy reviewed and shared with all stake holders
- Behaviour tracked on SIMs enabling staff to monitor incidents
- Progress of vulnerable pupils was tracked by Nurture Practitioner with all pupils having over a 50% reduction in behaviour incidents

St Joseph's Catholic Primary School

S48 Interim Visit Recommendations:

All three s48 interim targets were fully achieved. This was ratified through the s48 inspection which was undertaken in December 2018

Pupil Outcomes:

- Significant improvements in the attainment and progress have been achieved over the last four years for all end of phase outcomes. This was acknowledged by the School Improvement Partner in her visit to the school in June 2019
- All progress measures from KS1 to KS2 were above 0 showing that better than expected progress was achieved by the Year 6 cohort in reading, writing and maths. These were the best progress measures for four years
- Attainment for 'all pupils' was above targets set for reading, writing and maths – 96%, 93% and 92%
- Progress for 'all' pupils was above targets set for reading, writing and maths – 96%, 93% and 92%

Teaching and Learning:

- Monitoring of the quality of teaching and learning through learning walks, lesson observations and book trawls demonstrated an improvement in the effective use of questioning and challenge to all pupils
- Resources are being used very effectively to support learning and progression for all pupils
- Greater consistency in the approach to the teaching of mathematics across the school i.e. fluency, problem solving and reasoning
- Clear, logical sequence of learning is embedded resulting in greater evidence of outstanding progress being made in English and maths

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

- Classroom environments are a strength across the school, especially in the use of 'Working Walls' to develop and extend pupils' learning
- Impact is evident through excellent pupil outcomes achieved across all phases especially with the increase in percentage of pupils achieving the highest standards across reading, writing and maths (which is a S8 priority)

St Mary's Catholic Primary School

- Many opportunities for fundraising, for example: Cafod, Fr Hudsons, food bank, raising money for a new wheelchair
- Most pupils made good progress in R.E. from their starting points (average progress – 79%)
- Regular safeguarding briefings led by Principal result in staff being up skilled
- All Key stages achieved above national for combined and individual subjects
- Nurture provision for children has had a significant positive impact on children's behaviour
- Academy representatives have visited their key areas and reported back positively on findings
- Parental workshops were held for each year group to support parents to help their children learn from home
- Two members of staff were successfully developed to go on to promotions

St Wulstan's Catholic Primary School

Catholic Ethos:

- All three Section 48 monitoring visit targets were fully achieved. This was ratified through the Section 48 inspection which took place in January 2019
- Catholic Life (the main focus of this key priority) was judged as Good

Pupil Outcomes:

- Data indicates that all Year 2 pupils have made at least good progress from their starting points; for example, 70% of this cohort achieved a good level of development at the end of EYFS and so outcomes at the end of Key Stage 1 are in line or above expectations
- In the 2019 Key Stage 2 assessments, results show that the percentage of pupils achieving ARE is also broadly in line with national averages
- Progress measures from KS1 to KS2 for Reading and Maths were above 0 showing that expected progress was achieved by the Year 6 cohort
- Internal data indicates that pupils throughout the school make good progress and that interventions, particularly pre-teaching, are having a positive impact
- Internal data indicates that, overall, disadvantaged pupils are making good progress. In reading and writing, disadvantaged pupils are making more than expected progress throughout the school and in reading they make better progress than other pupils (4.5 compared to 3.7)
- An Intervention Record sheet is in place, recording sessions and outcomes. A monitoring cycle has been created to ensure effective evaluation of interventions

Teaching and Learning:

- Cornerstones has been purchased and launched as the vehicle to deliver a creative curriculum
- Subject leaders have been identified and a monitoring schedule created
- An audit has been carried out to ensure that Cornerstones covers all the requirements of the National Curriculum.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Leadership and Management:

- The Academy Committee provides an appropriate level of challenge, as well as support, and have a good knowledge of strengths or areas for development
- Link responsibilities have been established and representatives visit the school to verify information
- Following visits, reports are submitted to the next Academy Committee meeting

Behaviour and Welfare of Pupils:

- Attendance is consistently around the national average
- There are robust procedures in place for tracking, monitoring and following up on attendance issues
- Case studies on individual pupils outline support provided and any improvements that have taken place. These are detailed and provide evidence of the approach taken by the school to promote good attendance

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers and duties. They have referred to this guidance when reviewing the Company's aims and objectives and in planning its future activities.

The Multi Academy Company provides pre-school, primary, secondary and post 16 education to over two thousand pupils of all faiths who are eligible for state funded education. The Company is specifically restricted within its funding agreement with the Education and Skills Funding Agency to advance, for public benefit, education in the United Kingdom.

Strategic report

Achievements and performance

a. Key performance indicators

The Multi Academy Company is in its fifth year of operation. The total number of pupils in the year ended 31 August 2019 was 2115.

The summary of key outcomes of School Specific Development plans delivered in 2018-19, as above, also outline the achievements of each MAC school against the objectives for the year ended August 2019.

None of the Multi Academy schools received an Ofsted inspection during the academic year 2018/19 and maintained gradings from the most recent inspections as detailed below:

<u>School</u>	<u>Rating</u>
Haley Catholic High School	Outstanding
Our Lady of Fatima Primary School	Outstanding
St Ambrose Catholic Primary School	Good
St Joseph's Catholic Primary School	Good
St Mary's Catholic Primary School	Good
St Wulstan's Catholic Primary School	Good

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

From 2014, the Multi Academy Company has engaged an experienced HMI as the School Improvement Partner (SIP) to work with each school in maintaining or moving towards Outstanding status. The SIP has conducted at least four visits to each school per year, supporting each school in realising their school improvement targets, as outlined in each summary report.

b. The Achievements and performance in formal key stage examinations/assessments

The Achievements and performance in formal key stage examinations/assessments are outlined below:

St Joseph's Catholic Primary School

Early Years Foundation Stage GLD: 90%

Year 1 Phonic Check: 97%

Key Stage 1 Data

Attainment	Reaching ARE
Reading	90%
Writing	83%
Maths	83%
Combined	83%

Key Stage 2 Data

Attainment	Reaching ARE	Progress KS1-KS2
Reading	90%	+1.9
Writing	90%	+0.7
Maths	90%	+0.4
EGPS	94%	
Combined	81%	

St Mary's Catholic Primary School

Early Years Foundation Stage GLD: 73%

Year 1 Phonic Check: 87%

Key Stage 1 Data

Attainment	Reaching ARE
Reading	77%
Writing	74%
Maths	80%
Combined	70%

Key Stage 2 Data

Attainment	Reaching ARE	Progress KS1-KS2
Reading	90%	+3.4
Writing	81%	+2.2
Maths	84%	+4.1
EGPS	87%	
Combined	74%	

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Our Lady of Fatima Catholic Primary School

Early Years Foundation Stage GLD: 80%

Year 1 Phonic Check: 87%

Key Stage 1 Data

Attainment	Reaching ARE
Reading	87%
Writing	87%
Maths	83%
Combined	83%

Key Stage 2 Data

Attainment	Reaching ARE	Progress KS1-KS2
Reading	80%	-2.4
Writing	87%	-0.6
Maths	80%	-2.4
EGPS	83%	
Combined	77%	

St Ambrose Catholic Primary School

Early Years Foundation Stage GLD: 77%

Year 1 Phonic Check: 76%

Key Stage 1 Data

Attainment	Reaching ARE
Reading	72%
Writing	66%
Maths	90%
Combined	66%

Key Stage 2 Data

Attainment	Reaching ARE	Progress KS1-KS2
Reading	63%	-0.5
Writing	67%	-0.3
Maths	77%	-1.1
EGPS	83%	
Combined	53%	

St Wulstan's Catholic Primary School

Early Years Foundation Stage GLD: 80%

Year 1 Phonic Check: 83%

Key Stage 1 Data

Attainment	Reaching ARE
Reading	70%
Writing	73%
Maths	70%
Combined	70%

Key Stage 2 Data

Attainment	Reaching ARE	Progress KS1-KS2
Reading	70%	+0.92
Writing	81%	-0.47
Maths	81%	+0.23
EGPS	89%	
Combined	67%	

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Hagley Catholic High School

Key Stage 4 Data

Progress 8 Score	+0.35
Attainment 8	57.2
Average Point Score per entry	5.72
Ebacc Average Point Score	5.18
% Ebacc Entry	58
% 5+ Std pass incl: En & Ma	83.5
% Std pass in Eng (9-4)	92
% Stg pass in Eng (9-5)	83
% Std pass in Math (9-4)	88
% Stg pass in Math (9-5)	75
% Std pass in En & Ma (9-4)	86
% Stg pass in En & Ma (9-5)	71

Post 16 (A Level)

A* - A	25
A* - B	46.5
A* - E	97.3
3+ A* - E	88.2
2+ A* - E	98.9
Ave Point score per entry	33.6
Ave Point score per student	107.4

c. Going concern

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

The Directors decision to adopt this stance is based on detailed forecasts of income and expenditure over the next three to five years. Pupil numbers appear to be stable for the majority of our academies and for one of academies there is just cause to expect it to increase. Five of the six academies continue to project and work to an in-year balanced budget increasing the financial reserves. One of our academies continues to struggle with pupil numbers and the resultant GAG and other funding when set against anticipated expenditure yields project an in year deficit but these are deemed to be within a manageable size that can be met from existing financial reserves. The Directors (through the Accounting Officer and Chief Finance and Operations Officer) have consulted with the Birmingham Catholic Diocese for a strategic solution in reducing the deficit and protecting the catholic education of our children. In order to address the projected in year deficit over the next two years, the Directors, Accounting Officer, Chief Finance and Operations Officer, Birmingham Diocese have embarked on a full year of regular planned meetings with the Principal, Chair (local governors) and senior finance person/Business Manager at each of our schools. This cost reduction programme is likely to become a regular annual cycle whilst the financial climate remains so challenging.

The aim of the current programme is twofold. Firstly, to eliminate the individual school in year deficit predicted for 2019/20 and secondly, to be in a position to set 2020/21 budgets at cost neutral, thus preserving and maintaining our current level of financial reserves.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Financial review

a. Overview

The Company is principally funded by government grant which is obtained from the Education and Skills Funding Agency (ESFA) under a funding agreement. This is recurrent annual grant funding paid in monthly instalments or on other specified dates and for a specified purpose. The use of these funds is therefore restricted. Grants of this nature received from the ESFA for the period to 31 August 2019 and associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Company has put in place a set of detailed Financial Regulations and other associated policies in order to facilitate sound financial management and control across all of its academies and operations. These serve to minimise risk and to ensure conformity with the requirements of propriety and regularity. They include: Cash Management, Payroll Procedures, Purchasing, Budget Setting, Petty Cash, Charge Cards, Investment, Risk Management, Virement, Bank Accounts/BACs/Fasterpayment, Fixed Assets, VAT, Trips, Uniform, Tendering, Write-offs, Irregular or Improper Transactions, Leases, Connected Parties, Whistleblowing, Anti Bribery and Corruption (including gifts/hospitality) , Expenses and Conflict of Interest policy. Clear financial limits and responsibilities are set out within a written Scheme of Financial Delegation.

All academies within the Company are finding the current funding climate extremely challenging. Unfunded percentage rises in cost factors such as national insurance, pension payments, salary inflation and apprenticeship levy etc. equal much larger cash sums for a school in this sector to find. Six years plus of unfunded cost pressures has built significant financial strain resulting in a cost reduction exercise, including staffing cuts and the senior leadership teams having to be involved much more operationally in all academies. St Wulstan's Primary School is currently finding funding a significant challenge, due to falling pupil numbers, as there are currently more primary school places in Worcestershire than pupils to fill them. During 2018/19 the Directors worked alongside the leadership team and Academy Committee to identify a strategy to deliver the savings required in order to turn this position around. The academy has made savings during 2018/19 which have greatly reduced the predicted in-year deficit. However, this work needs to continue in order to ensure that a balanced in-year budget is achieved, which is sustainable over time, in a funding climate that continues to remain financially challenging.

All academies continued to deliver financial savings throughout the year and consequently performed better than originally anticipated in 2018/19.

Total income has increased to £10,797,000 from £10,555,000 last year. This increase is primarily the result of the combined effect of a £106,000 increase in capital income, driven by an additional DFC grants given to all schools, and additional grant income from both the DfE/ESFA and local authorities. Expenditure has increased by 1.6% compared to the previous year. Total expenditure has increased by £28,000 to £11,096,000 from £11,068,000 last year. Savings were made in many areas compared to the previous year, but the costs of an extensive maintenance project during the summer nets against these savings.

The MAC has £2,042,000 of cash (2018: £1,379,000). However, trade creditors has increased compared to the previous year; increasing to £544,000 from £217,000 last year; much of this increase is the result of creditors that had yet to fall due for the aforementioned programme of maintenance and capital works undertaken over the summer. Fixed asset additions during the year totalled £125,000. This was less than the £161,000 received in capital grants during the year. Expenditure on fixed assets was limited in order to keep expenditure to a minimum.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

b. Reserves policy

The Company regularly (at least annually) reviews the level of reserve in accordance with the requirements set out within the Master Funding Agreement with the ESFA.

Under Accounting Standard FRS102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for non-teaching staff to a specific restricted reserve. As at 31 August 2019 the deficit on this reserve amounted to £6,221,000 (2018: £4,436,000), as determined by the pension schemes' actuaries. The MAC intends to continue to make lump sum pension deficit payments, resources permitting, to reduce the deficit.

At 31 August 2019 the unrestricted general reserve balance was £1,439,000 (2017: £1,354,000) the restricted income funds were £251,000 (2018: £nil) and the restricted asset funds were £16,626,000 (2018: £16,890,000).

c. Investment policy

The Directors manage and control investment of funds in accordance with Appendix I of the Financial Regulations. The emphasis of this policy is centred on maximising investment income whilst protecting the funds invested. The policy is reviewed regularly by the Resources Committee. During the year 2018/19 the Company chose not to invest any funds in order to prioritise cash flow. Since 1 September 2019, the Company has invested funds in a short-term, low risk bank savings account to the value of £1,000,000.

d. Principal risks and uncertainties

The Board of Trustees/Directors have approved a risk management policy and strategy which is set out as Appendix J to the Financial Regulations. In accordance with policy the Company maintains a Risk Register through which it identifies and manages risks in four key focus areas. These are Strategic and Reputational (Risk 1), Operational (Risk 2), Compliance (Risk 3) and Financial (Risk 4). Processes, procedures and control mechanisms have been implemented by the Trustees/Directors to mitigate the risks identified. The Risk Register is reviewed regularly by the Compliance Committee.

New Risks identified in 2018/19 were:

- Financial – falling numbers in some year groups at St Wulstan's Catholic Primary School, due to surplus pupil places in Worcestershire, has resulted in a multi-disciplinary working party being formed to work on a strategy to increasing pupil numbers
- Financial/safety/compliance – Brexit poses uncertainty over funding, GDPR regulations and availability of food and medication for students. The Company is using available Government guidance to mitigate, where possible, against any risks posed

Key existing risks which remain high profile include:

- Safety - A continued need for increased preparedness for lockdown and evacuation. Each school has revised and implemented new plans. These now need testing and evaluating over a period of time to ensure fitness for purpose
- Staffing - There is still growing evidence of difficulties in the labour market for the key roles of Principal and Vice Principal. This is a risk affecting all schools of the Catholic faith and we continue to work with our diocese to support effective succession planning
- Reputational/Financial/Compliance - European legislative changes to data protection with the introduction

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

of the General Data Protection Regulation (GDPR) from May 2018. A multi-disciplinary working party has been formed and is working on a plan to address GDPR compliance

- Financial – The funding climate remains uncertain with the National Funding Formula being 'soft' until 2020-21 and subject to each local authority funding formula. Failure to significantly improve the funding of each of our schools will lead to significant cost reduction measures. Each school continues to work on multiple year financial plans and the Directors continue to monitor the situation at both individual school and whole company level

There is a substantial deficit in the Local Government Pension Scheme and against the trend of previous years it was relatively stable between August 2016 (£4.49m), August 2017 (£4.89m) and August 2018 (£4.44m). However, due to a change in the actuarial assumptions, particularly the discount rate, the liability has increased to £6.22m at 31 August 2019. The level of deficit remains high and this represents concern. However, Parliament has agreed to guarantee that in the event of an academy closure, any outstanding local government pension scheme liability will be met by the Department for Education. This guarantee came into force on 18th July 2013. The Trustees/Directors will monitor the actions of the DfE in the exercise of this guarantee over time.

Fundraising

St Nicholas Owen Catholic Multi Academy Company does not employ fundraising agencies, professional fundraisers, street fundraisers, or undertake telephone fundraising programmes. The Company works closely with the respective Parent Teacher Association of each of our academies. Their aim is to foster social interaction through a programme of events that raise funds to support our activities at a given academy. The Company operates a scheme for both one-off regular voluntary donations by parents and runs a variety of small lottery programmes such as a 200 club.

As part of our ethos we also encourage our pupils to raise funds for those in need and donate collections to nominated local, national and international charities. These charities are often nominated or chosen by pupils through an academy Student Council. Primarily the Company works with each academy community to raise funds and this will include the parents, grandparents and other family members of pupils or the pupils themselves.

The Company works within the law, relating to charitable collections, at all times. In addition, it also adheres with associated laws that apply to data protection, health and safety and the environment. The Company will answer all reasonable questions about its fundraising activities and costs; and is conscious of and sensitive to, the need to ensure that undue pressure is not being applied to vulnerable people by intrusive or persistent fundraising approaches. Fundraising events are carefully controlled by senior management and are staggered throughout the year to ensure that our community of support is not bombarded with requests.

There have been no official complaints made about of fundraising activities in the year. Saint Nicholas Owen Catholic Multi Academy Company does not sell or pass to other charities its database of donators or potential donors.

Plans for future periods

The Company's future plans include:

- Sustaining, securing and further developing the Catholic Life of the MAC
- Staff recruitment and retention
- Leading all schools to Outstanding status

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY **(A Company Limited by Guarantee)**

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2019**

Plans for future periods (continued)

- Raising attainment in all schools to be in line with national expectations for attainment and progress and continuing a strong upward trend
- Ongoing value for money and economies of scale across the MAC
- MAC wide website development to achieve consistency of image, information and ease of access
- Reviewing and improving MAC Financial, HR, Facilities, Safeguarding and Pupil attainment tracking systems
- Developing leadership skills at Board, Academy Committee, senior and middle leadership level to support succession planning
- Exploring strategies to manage an effective work life balance across the MAC
- Increasing capacity across the MAC including in the Sixth Form
- Expansion and growth of the MAC in line with Diocesan plans (NB: In line with the DfE request to the Diocese to move to a standard set of Document of Incorporation, we, in discussion with the Diocesan Education Service, have agreed that we will migrate to the standard documents available from the DfE when there is any change the makeup of the MAC. Therefore, any growth plans will have to be accompanied or preceded by an adoption by the Company of its documents of incorporation and funding agreement."

Hagley Catholic High School

Leadership and Management:

- Continued effective financial management to achieve a balanced budget for the next three years
- Continued improvement of the school environment including learning walls in each classroom
- Continued development of the Academy Committee and governance
- Continued development of the quality of teaching and learning
- Continued development of SLT-Link meetings and middle leaders
- Develop and embed the new SLT team and their new roles and responsibilities
- Continued development to fully meet the requirements of the new Ofsted framework
- Develop strategies to reduce staff workload
- Develop a school wide monitoring and evaluation programme to ensure consistency of approach and be able to measure impact of initiatives
- Ensure that all designated safeguarding officers are used to share the workload, leaving the senior safeguarding officer to coordinate and manage the strategy

Quality of Education (Including Curriculum, Teaching & Learning, Assessment and Outcomes):

- Set aspirational targets at whole-school level and within each subject area so that all ages and groups of pupils make expected progress or better in line with national averages
- Continued development of PiXL strategies across KS3 and KS4 and introduction to PiXL6 at Post-16
- Continue the relentless approach to monitoring the impact of the strategies on improving outcomes, as well as the quality of teaching, learning and assessment.
- Ensure that students who are underachieving are picked up at an early stage so that appropriate interventions are put in place to accelerate their progress
- Use information from assessments to review the curriculum

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods (continued)

Personal Development:

- Launch the PiXL Edge, Character and Culture Programme across the whole school including the introduction of a Learning Journey for each student
- Develop strategies for developing the impact of the new Character and Culture Programme
- Further develop the use of the 'hub' by promoting the use of PiXL Edge and ensuring that interventions are well targeted to students' needs
- Develop further mental health awareness and resilience throughout the school via mental health champions and intervention programmes

Behaviour and Attitudes:

- Implement, monitor and evaluate the new Behaviour for Learning policy and procedures
- Ensure that management information linked to data on behaviour is analysed effectively so that trends can be easily identified and the impact of strategies to manage behaviour can be monitored
- Implement strategies to improve attendance for all groups of pupils in all year groups
- Share strategies used to ensure that students are more engaged and involved in their learning

Our Lady of Fatima Catholic High School

Pupil Outcomes

To diminish the difference, in attainment and progress, between boys and girls in Literacy and Mathematics in order to exceed national average standards at the end of each Key Stage

- Tailored lessons which are focused on the needs and interests of boys, where appropriate, will aid in narrowing the gap
- Resources and lesson plans will clearly show that during some Maths and Literacy lessons boys are a high focus
- Annotated and adapted planning which will show boys are a focus within some Literacy lessons boys are a high focus
- Monitoring of teacher assessment will focus on the gap between girls and boys
- GAP tasks will be used effectively to further enhance the progress and attainment of boys in particular
- Teachers will be aware of the gap between boys and girls and they will be able to report on the narrowing or widening of the gap in Pupil Progress Meetings
- In reading, a focus will be given to select specific books or visual prompts which will further engage boys
- In writing, subject matter will be selected, where appropriate, to engage boys within lessons
- In maths, activities will be adapted or differentiated to engage boys
- The gap between boys and girls (with exception of those with severe SEN or on an EHCP) will narrow across the year

Leadership and Management

- New RE coordinator to be confident in her job role
- Middle Leaders will be more confident in their subject areas and this will have a positive impact across the school in all subject areas
- Effective feedback will be provided to SLT
- Staff with new subject areas or focuses to be able to monitor effectively and feedback to SLT, producing a positive effect across the curriculum
- Review and meetings between SLT and leaders to ensure confidence and competency of leading area across the school
- CPD opportunities provided as appropriate

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods (continued)

Personal Development

To monitor the impact of emotional well-being and nurture groups, so that there are sustained, positive outcomes through effective interventions

- Engage with TAs leading nurture groups to agree a starting assessment and end assessment for each group to measure the impact of interventions
- Feedback and meetings to discuss successes and areas for development throughout the year
- Final agreement of initial and end of intervention feedback from children to be fully implemented in nurture groups
- Development and implementation of Daily Mile will encourage 'fit for learning' – 15 minute physical activity which promotes social, emotional and mental health and wellbeing

Behaviour and Attitudes

To implement and develop the new online Safeguard software to ensure effective monitoring and evaluation of concerns, behaviour and attendance across the school

- Training will be provided to all staff in July 2019 and September 2019 through staff meetings. Logins to be set up with all staff aware of how to access and use software. Staff will also be made aware of appropriate times to use it.
- Additional safeguard laptop will be set up and installed for use in staff room
- Training and refresher course each term as required
- Review of impact and usage across the school – will confirm that Safeguard is successfully being used and is accessible to use by all staff

St Ambrose Catholic Primary School

Catholic Life

- Leadership and Management: use monitoring and evaluation to continue to enhance the school's provision
- Collective worship: Ensure high quality prayer is delivered daily in class and to support pupils to plan and lead high quality prayer and worship more regularly
- Religious Education: Improve attainment, and progress, for pupils

Leadership and Management/Quality of Education:

- To establish an effective and accurate school monitoring schedule, to evaluate and subsequently implement actions to improve outcomes for all pupils in ALL CURRICULUM SUBJECTS
- Teachers to develop a cohort achievement profile to ensure there is a consistent approach to identifying pupils who have the potential to be achieving at above age related expectations. Pupils to make at least 3 points or increase to 4 points progress in Reading, Writing and Maths across all cohorts
- Ensure the curriculum and use of teaching and learning strategies provides sufficient opportunities for most able pupils to work at greater depth IN ALL SUBJECTS
- Give pupils more ownership of their learning by encouraging independence, whole group in-depth discussions, self and peer assessment, and more opportunities for extended, reflective writing
- Leaders should ensure the proportion of pupils who achieve higher standards in reading, writing and mathematics improves to be at least in line with National figures
- Academy Representatives have designated roles which link to school development priorities. They are confident able to act as critical friends and hold school leaders to account for the quality of education including pupil progress and outcomes in all subjects
- Subject Leaders to monitor the effectiveness of planning, teaching, learning and assessment via a full curriculum review and implementing a subject action plan in line with school priorities, leading to a deep, broad, balanced, creative and skills based curriculum that meets the needs of the school's unique pupils
- Develop teaching and learning so that pupils' progress, particularly in KS2 is at least good in all subjects and outcomes show improvements over a sustained period

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods (continued)

Quality of Education - Pupil OUTCOMES/SEND/EAL/Pupil Premium:

- Improve the rigour of monitoring the progress of every child by embedding the use of a provision map, data analysis, IEP Reviews, SEND teaching strategies and intervention programmes to ensure all pupils are closing the gap in attainment by making at least three points
- Leaders to ensure additional strategies are used to provide extra support for pupils are thoroughly evaluated to ensure that they are effective

Behaviour and Attitudes:

- Further reduce the level of persistent absenteeism and narrow the gap between groups so that all groups attendance is at least in line with National Averages
- Ensure high standards of pupil safety in all aspects of school life by monitoring accidents around the school site and implementing strategies to further reduce the number of accidents across the year
- Track and intervene with vulnerable pupils to reduce the number of behaviour incidents (including bullying) at play time across the academic year
- Additional strategies used to provide extra support for pupils are thoroughly evaluated to ensure that they are effective

Personal Development:

- Develop a PSHE, RSE, SMSC core and Foundation Subject curriculum that focusses on social, emotional, well-being and mental health in order for pupils to become resilient and effective learners who are engaged fully in school

St Joseph's Catholic Primary School

Catholic Life:

- Refine the use of assessment systems in Religious Education, so that they better support staff in ensuring that a greater number of pupils make more than expected progress (s48 priority)
- Provide greater challenge for more able pupils in Religious Education so that their progress is consistently good (s48 priority)

Quality of Education:

- To continue to improve the progress measure from KS1 to KS2 so that the figure is at least 0 in English and maths.
- To increase the percentage of SEND pupils who achieve at least expected (good) progress across English and maths.
- To improve the quality of continued professional learning in school (CPL)
- To continue to develop the teaching and learning across English and maths so that all pupils are appropriately challenged (s8 priority)

St Mary's Catholic Primary School

Catholicity:

- PSHE and RSE scheme to be embedded into school's practice
- Children across the whole school have the chance to plan and lead Collective worship
- to provide more opportunities for staff to develop their own spirituality

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods (continued)

Ofsted Priorities:

- School leaders and those responsible for governance should ensure strategies to support disadvantaged pupils are embedded and further developed in order to maximise their progress
- Assessment processes and information tracking systems are used consistently and effectively across the school
- Pupil's written work is of consistently high standard when pupils are writing independently and at length across a range of subjects
- Development to raise standards in mathematics focus on improving pupils' reasoning and problem solving skills

SIP Priorities

- Implement the programme for PSHE and RSE, ensuring that it covers all requirements and shows progression across year groups
- Develop an overview, supported by detailed curriculum plans, for the teaching of the wider curriculum, ensuring that:
 - o the intent, expectations for implementation and expected impact are clearly set out
 - o the programme ensures progression in subject-specific skills as well as subject knowledge
 - o an agreed amount of time is allocated in each year group to each curriculum area
 - o monitoring and evaluation is used to ensure that planning is leading to greater consistency in approach, more focus on subject-specific skills and the expected impact is being achieved
- Ensure that procedures for improving the attendance of pupils are implemented rigorously so that senior leaders can show that everything that can be reasonably done to improve attendance is being done

St Wulstan's Catholic Primary School

Catholic Life

- Implement the recommendations of the January 2019 s48 Inspection

Leadership and Management

- Develop the role of middle leaders
- Develop the strategic role of the Academy Committee

Quality of Education:

- Improve standards of attainment and progress at each key stage in mathematics and English
- Further embed the teaching and learning of foundation subjects as part of a 'Discovery' curriculum

Behaviour and Attitudes

- Ensure full access for vulnerable learners to improve attainment and progress

Personal Development:

- Implement an age appropriate Sex and Relationships curriculum

Plans for 2020-21 and beyond:

- Continue to develop the curriculum to ensure a broad and balanced curriculum entitlement is offered to all pupils.
- Meet all recommendations from the Section 8 and Section 48 inspections

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY **(A Company Limited by Guarantee)**

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2019**

Funds held as custodian on behalf of others

The Company holds no such funds and does not act as a Custodian Director for any other charity.

Employee involvement and employment of the disabled

Effective communication with staff is seen as a key element to effective operation and essential to harmonious industrial relations. All staff are regularly briefed by senior management through face to face meetings, employee email and weekly bulletins. All revised or new policies relating to staff are placed on dedicated staff intranets at respective academies and the attention of staff members is drawn to them either through email communication or verbal briefing. This bank of policies remains on file and is freely available to all staff. All new or revised policies are the subject of consultation with staff and trade unions.

Staff are encouraged to contribute to improved educational performance through the process of regular appraisal, during which personal targets are set and aligned to organisational aspirations and objectives.

Employees are made aware of the challenges that face the organisation and the specific academy that they work in. This is delivered through staff meetings run by the senior leadership and will include regular updates especially in terms of financial performance and outlook.

The company has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the company's equal opportunities policy, the company has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Saint Nicholas Owen Catholic Multi Academy Company is an equal opportunities employer and is committed to equal opportunities for all regardless of gender, race, colour, religious belief, sexual orientation or disability. Positive discrimination is applied to certain posts, where the law specifically allows for such, in order for us to uphold and preserve the Catholic nature of our organisation. Full and unbiased consideration of eligible applicants (internal/external) is exercised in recruitment and selection processes, which are designed to give due regard to each individual's aptitudes and abilities. The Company is also committed to supporting any employee that becomes disabled during employment. It will aim to make all reasonable adjustments in order to enable the employee to continue in their role or, if need dictates, transfer and support them (workplace adaptation/training) in the transition to alternative position in the Company

Full details of these policies are available from the company's offices.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

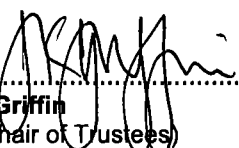
SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Auditors

On 1 February 2019 Moore Stephens LLP merged its business with BDO LLP. As a result, Moore Stephens LLP has resigned as auditor and the Trustees have appointed BDO LLP as auditor in their place. BDO LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 2 December 2019 and signed on its behalf by:


.....
J Griffin
(Chair of Trustees)

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Principal of Our Lady of Fatima Catholic Primary School, Clare van Vliet, 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 Saint Nicholas Owen Catholic Multi Academy Company and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 9 times during the year.

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

Trustee	Meetings attended	Out of a possible
J Griffin, Chair	9	9
J Rowe, Vice Chair	8	9
C Van Vliet, Principal and Accounting Officer	9	9
D Finucane	6	9
D Harris	1	3
D Kehoe	5	9
S Horan	8	9
P Berry	2	3
B McArdle	3	3
C Beech	7	9
P Parry	7	9
C Piggott	3	9
G Taylor-Smith	8	9

The Board has a supporting committee structure of three committees namely Performance, Compliance and Resources. The role and remit of these committees is set out in the Trustees' Report above..

The Board of Directors is a reflective group of trustees who review, on an ongoing basis, the effectiveness of committee and full board meetings. The most recent full skills audit of Trustees/Directors was carried out in May 2019. As a result of the most recent review, the Board has opted to maintain the current supporting committee structure of Performance, Compliance, Resources including Audit. The role and remit of these committees is set out on pages 6 and 7. The Board is currently engaged with the external body Forum Strategy to review its strategic direction and vision and plans to carry out a further external review of governance in the financial year 2019/20.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Resources Committee (incorporating Finance and Audit functions)

This is a sub- committee of the main board.

The purpose of the Resources Committee is to assist the decision making of the Board of Trustees/Directors by enabling more detailed consideration to be given to the best means of fulfilling the Company's responsibility to ensure sound management of the Company's finances and resources, proper planning, monitoring and probity.

It is also to maintain an oversight of the Company's internal control, fraud monitoring and protection and value-for-money framework

It reports its findings to the Board of Trustees/Directors and to the Accounting Officer as a critical element of the Company's annual reporting requirements.

Any major issues or risks identified from the work of the Committee together with recommended solutions, will be referred to the Board of Trustees/Directors (via the Compliance Committee) for ratification and inclusion within the Company's Risk Management strategies.

The work of the Committee this year in the fifth year of operation has been centred on long range budgetary forecasting in the light of an evolving financial outlook connected to unfunded cost pressures and delays to the proposed National Funding Formula. It has included the embedding and maintaining of financial controls across all six academies in the multi academy company.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
D Harris	2	2
S Horan	5	6
D Kehoe	3	6
J Rowe	5	6
C van Vliet	6	6
J Griffin	3	6
D Finucane	5	6
K Wilcox (Finance Director)	6	6

Review of value for money

The accounting officer has responsibility for ensuring that the company delivers good value in the use of public resources. The Principal of Our Lady of Fatima Catholic Primary School, Clare van Vliet, was the accounting officer during the year ended 31 August 2019. From the 1 September 2019, the position of accounting officer has been held by Suzanne Horran (Catholic Senior Executive Leader). The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Competitive tendering major contracts such as catering and grounds maintenance.
- Challenging providers to give better rates (insurances).
- Comparing prices paid for goods and services across six schools (Service level agreements and larger

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- contracts).
- Reviewing and realignment staffing structures to ensure that they are delivering effective support and pupil progress.
- Utilising secondary school based specialist staff to support primary schools.
- Collaborating with Haybridge High School in the joint provision of post 16 courses.
- Provision of training events for management across all schools relating to the effective long range planning and budgeting.
- Embedding and building the robustness of financial systems and controls.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Saint Nicholas Owen Catholic Multi Academy Company for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the company's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint DRB Schools and Academies Ltd as internal auditor.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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

- reviewing the scope and completeness of financial regulations
- testing planned income against actual
- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a semi-annual basis, the internal auditor reports to the board of Trustees through the Resources committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned. No material control issues were identified by the work undertaken. However, areas for improvement have been identified and remedial measures are being taken to address these.

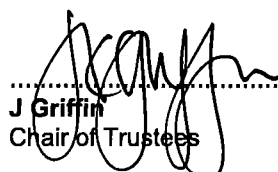
Review of effectiveness

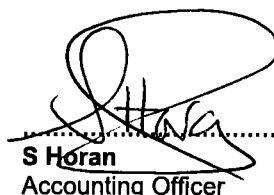
As accounting officer, the Principal of Our Lady of Fatima Catholic Primary School, Clare van Vliet had responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the company who have responsibility for the development and maintenance of the internal control framework.

From September 2019 the Catholic Senior Executive Leader (CEO), S Horan, is the the Accounting Officer. S Horan been advised of the implications of the result of their review of the system of internal control by the Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 2 December 2019 and signed on their behalf by:


.....
J Griffin
Chair of Trustees


.....
S Horan
Accounting Officer

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
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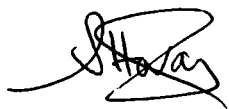
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Saint Nicholas Owen Catholic Multi Academy Company I have considered my responsibility to notify the company board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the company, under the funding agreement in place between the company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

Matter 1: There was one transaction identified during the year where the trust purchased alcohol. The total value of the alcohol purchased was £20. The purchase of alcohol is irregular expenditure not for the purpose intended as stated in the Academies Accounts Direction 2018 to 2019, Annex B 1.22).



S Horan
Accounting Officer
Date: 2 December 2019

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2019

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

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

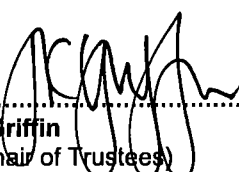
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 2 December 2019 and signed on its behalf by:


.....
J Griffin
(Chair of Trustees)

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY **(A Company Limited by Guarantee)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBER OF SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

Opinion

We have audited the financial statements of Saint Nicholas Owen Catholic Multi Academy Company ("the Academy") for the year ended 31 August 2019 which comprise the statement of financial activities (incorporating income and expenditure account), balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 2018 to 2019 issued by the Education & Skills Funding Agency (ESFA).

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance the Academies Accounts Direction 2018 to 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBER OF SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (CONTINUED)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report or the Strategic report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBER OF SAINT
NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

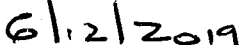
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Nicholas Simkins (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Birmingham
United Kingdom



BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 18 February 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Saint Nicholas Owen Catholic Multi Academy Company during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Saint Nicholas Owen Catholic Multi Academy Company and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Saint Nicholas Owen Catholic Multi Academy Company 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 Saint Nicholas Owen Catholic Multi Academy Company and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Saint Nicholas Owen Catholic Multi Academy Company's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Saint Nicholas Owen Catholic Multi Academy Company's funding agreement with the Secretary of State for Education dated 21 May 2013 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY (A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

Our procedures included, but not limited to, the following:

- Competitive tendering major contracts such as catering and grounds maintenance.
- Reviewing minutes of meetings, management accounts and making enquiries of management;
- Sample testing of expenditure to ensure items are for the academy's purposes and are appropriately authorised;
- Sample testing of credit card expenditure;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals and other adjustments posted during the year for evidence of unusual entries and making further enquiries into any such items where relevant;
- Reviewing a selection of nominal ledger accounts for evidence of unusual entries and making further enquiries into any such items where relevant; and
- Performing an evaluation of the general control environment of the academy.

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1: There was one transaction identified during the year where the trust purchased alcohol. The total value of the alcohol purchased was £20. The purchase of alcohol is irregular expenditure not for the purpose intended as stated in the Academies Accounts Direction 2018 to 2019, Annex B 1.22).



BDO LLP

**Reporting Accountant
Birmingham**

Date: **6** December 2019

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Income from:						
Donations and capital grants	4	30	-	161	190	87
Charitable activities	5	54	10,242	-	10,296	10,157
Other trading activities		309	-	-	309	305
Investments	7	1	-	-	1	1
Total income		394	10,242	161	10,797	10,550
Expenditure on:						
Charitable activities	10	309	10,362	425	11,096	11,068
Total expenditure		309	10,362	425	11,096	11,068
Net movement in funds before other recognised gains/(losses)		85	(120)	(264)	(299)	(518)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(1,414)	-	(1,414)	766
Net movement in funds		85	(1,534)	(264)	(1,713)	248
Reconciliation of funds:						
Total funds brought forward		1,354	(4,436)	16,890	13,808	13,560
Net movement in funds		85	(1,534)	(264)	(1,713)	248
Total funds carried forward		1,439	(5,970)	16,626	12,095	13,808

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

The notes on pages 44 to 74 form part of these financial statements.


SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09174154

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	18	16,405	16,705
Current assets			
Debtors	19	906	891
Cash at bank and in hand		2,042	1,379
		<u>2,948</u>	<u>2,270</u>
Creditors: falling due within one year	20	(1,037)	(731)
Net current assets		<u>1,911</u>	<u>1,539</u>
Total assets less current liabilities		<u>18,316</u>	<u>18,244</u>
Net assets excluding pension liability		<u>18,316</u>	<u>18,244</u>
Defined benefit pension scheme liability	27	(6,221)	(4,436)
Total net assets		<u>12,095</u>	<u>13,808</u>
Funds of the company			
Restricted funds:			
Fixed asset funds	22	16,626	16,890
Restricted income funds	22	251	-
Restricted funds excluding pension asset	22	<u>16,877</u>	<u>16,890</u>
Pension reserve	22	(6,221)	(4,436)
Total restricted funds	22	<u>10,656</u>	<u>12,454</u>
Unrestricted income funds	22	<u>1,439</u>	<u>1,354</u>
Total funds		<u>12,095</u>	<u>13,808</u>

The financial statements on pages 41 to 74 were approved by the Trustees, and authorised for issue on 02 December 2019 and are signed on their behalf, by:

J Griffin
(Chair of Trustees)



SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	24	626	(273)
Cash flows from investing activities	25	37	(6)
Change in cash and cash equivalents in the year		663	(279)
Cash and cash equivalents at the beginning of the year		1,379	1,658
Cash and cash equivalents at the end of the year	26	<u>2,042</u>	<u>1,379</u>

The notes on pages 44 to 74 form part of these financial statements

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. General information

Saint Nicholas Owen Catholic Multi Academy Company is a private limited company, limited by guarantee, incorporated in England and Wales and domiciled in England.

The company registration number is 09174154 and the registered office is Hagley Catholic High School, Brake Lane, Hagley, Worcestershire, DY8 2XL.

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

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

The financial statements are presented for the Saint Nicholas Owen Catholic Multi Academy Company as a single entity. The functional and presentational currency of the company during the year was sterling (£) and the accounts are rounded to the nearest one thousand.

Saint Nicholas Owen Catholic Multi Academy Company meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

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

- **Charitable activities**

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

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The company 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 company 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.

2.7 Tangible fixed assets

Assets, except long leasehold land and leasehold property, costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Long leasehold property and land are carried at the value on conversion net of depreciation and 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:

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long leasehold land	- Over the length of the lease
Long-term leasehold property	- Shorter of 50 years or length of the lease
Furniture and equipment	- Over 5 years
Computer equipment	- Over 5 years
Motor vehicles	- Over 5 years

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.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company 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.

2.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments. Amounts due to the company's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 20. 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. Amounts due to the company's wholly owned subsidiary are held at face value less any impairment.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.13 Pensions

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

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

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

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

Pension costs are accounted for as restricted expenditure, to align them with the associated payroll costs. Likewise, pension liabilities are recognised within restricted funds.

The company is a member of a multi-employer plan. Where it is not possible for the company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.14 Agency arrangements

The multi academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.15 Fund accounting

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

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

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

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

3. 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 company 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.

Pension 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Fixed Assets

The valuation of land and buildings is an opinion of the 'Fair Value' of the asset for capital accounting purposes. 'Fair Value' is defined as: - 'the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date'. Land and buildings valuation have been undertaken in accordance with the RICS Valuation-Professional Standards 2014.

The MAC's group of properties are a specialised asset for which there is no general market and therefore have been valued on the basis of Depreciated Replacement Cost, which calculates the cost of constructing a modern equivalent asset, and then depreciates this gross value to allow for the factors of age and obsolescence.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

3. Critical accounting estimates and areas of judgement (continued)

Depreciation

The depreciation rates used to determine the charge for the year have been determined based on the Trustees' estimate of the useful economic life of the academy trust's assets or the length of the long term lease arrangements that the property is held under. To assist in their estimation of useful economic lives, the Trustees have reviewed the depreciation rates utilised by other academy trusts.

Accruals

Generally accruals are based on invoices or communications received from the supplier after the year end. When no such documentation is available management estimate the liability based on prior year experience and any other information that they have available.

Critical areas of judgement:

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

The main areas where critical accounting judgements are applied and where there is estimation uncertainty are in relation to deferred and accrued income.

4. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Donations	30	-	30
Capital Grants	-	161	161
	30	161	191
	30	161	191

	Unrestricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Donations	32	-	32
Capital Grants	-	55	55
	32	55	87
	32	55	87

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

5. Funding for the company's educational operations

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
General annual grant	-	8,992	8,992
Other Dfe/ESFA grants	-	710	710
Local authority grants	-	203	203
Catering income	-	32	32
Music & Swimming income	54	-	54
Early years	-	63	63
School trips	-	242	242
	<u>54</u>	<u>10,242</u>	<u>10,296</u>

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
General annual grant	-	8,979	8,979
Other Dfe/ESFA grants	-	610	610
Special education projects	-	2	2
Local authority grants	-	173	173
Catering income	-	37	37
Music & Swimming income	53	-	53
Early years	-	62	62
School trips	-	241	241
	<u>53</u>	<u>10,104</u>	<u>10,157</u>

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. Income from other trading activities

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Other income	90	90	141
Hire of facilities	93	93	78
Before & after school club	103	103	86
Catering profit share	23	23	-
	<u>309</u>	<u>309</u>	<u>305</u>

7. Investment income

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Bank interest	<u>1</u>	<u>1</u>	<u>1</u>

8. Turnover

The whole of the turnover is attributable to the Saint Nicholas Owen Catholic Multi Academy Company's educational operations.

The majority of the Company's income relates to non-exchange transactions. The total received in non-exchange transactions during the year amounted to £10,096,000 (2018 - £9,851,000). This income consisted of donations and grants from the ESFA/DfE and other government bodies.

There are no unfulfilled conditions and other contingencies attaching to the grants that have been recognised in income.

All turnover arose within the United Kingdom.

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

9. Expenditure

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000
Educational operations:				
Direct costs	6,707	-	827	7,534
Allocated support costs	1,405	770	1,388	3,563
Total 2019	8,112	770	2,215	11,097

	Staff Costs 2018 £000	Premises 2018 £000	Other 2018 £000	Total 2018 £000
Educational operations:				
Direct costs	6,850	-	749	7,599
Allocated support costs	1,438	580	1,451	3,469
Total 2018	8,288	580	2,200	11,068

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Educational operations	309	10,787	11,096

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
Educational operations	368	10,700	11,068

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

11. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000
Educational operations	7,534	3,563	11,097

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total funds 2018 £000
Educational operations	7,599	3,469	11,068

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Pension interest	116	116	117
Staff costs	1,405	1,405	1,494
Depreciation	425	425	403
Technology costs	206	206	150
Staff development	47	47	44
Recruitment and support	12	12	9
Maintenance of premises and equipment	296	296	200
Cleaning	163	163	141
Rent & rates	50	50	42
Energy costs	167	167	135
Insurance	47	47	65
Security and transport	5	5	5
Catering	240	240	234
Other support costs	329	329	333
Auditors remuneration	19	19	16
Legal and professional fees	36	36	81
	3,563	3,563	3,469

During the year ended 31 August 2019, the company incurred the following Governance costs:

£55,000 (2018 - £97,000) included within the table above in respect of audit fees, and legal and professional fees.

12. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the trust	20	-	

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

13. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019	2018
	£000	£000
Operating lease rentals	9	28
Depreciation of tangible fixed assets	425	403
Fees paid to auditors for:		
- audit	14	14
- other services	5	4
	<u> </u>	<u> </u>

14. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£000	£000
Wages and salaries	6,047	6,255
Social security costs	497	523
Pension costs	1,359	1,375
	<u> </u>	<u> </u>
	7,903	8,153
Agency staff costs	209	157
Staff restructuring costs	-	33
	<u> </u>	<u> </u>
	8,112	8,343
	<u> </u>	<u> </u>

SAINT NICHOLAS OWEN CATHOLIC MULTI ACADEMY COMPANY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

14. Staff costs (continued)

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	103	111
Administration and support	140	152
Management	20	19
	<u>263</u>	<u>282</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	4	3
In the band £80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the multi academy company comprise the directors and the senior management team as listed on page 2. 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 £962,535 (2018: £1,035,448).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

15. Central services

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

- External Audit Fees
- Internal Audit Fees
- Accountancy Fees (relating to consolidation of accounts)
- Pensions Returns and audits
- Academy Accounts Return
- PS Financials Licence Costs
- School Improvement Programme
- Central Staff Salaries and associated costs
- Central Office Administration (postal costs, stationery, photocopying etc)
- Directors meeting costs
- A small Directors' Discretionary Fund (£10,000 per annum)

The company charges for these services on the following basis:

The Directors set an annual Central Services budget for approved centralised arrangements and costs, as part of the normal annual budget setting process. The total net cost of Central Services are then shared equitably amongst all academies within the Company on a pro-rata basis using a per pupil rate.

The per pupil rate for each financial year is calculated as follows:

- 1) The number of funded pupils (Pre and post 16), as set out in the relevant ESFA Annual Funding Statement, for each constituent academy within the company, is added together to arrive at a sum total of funded pupils within Saint Nicholas Owen Catholic Multi Academy Company
- 2) The approved Central Services budget/cost for distribution, for the related financial year, is divided by the sum total of funded pupils to arrive at a per pupil rate.
- 3) The annual charge against each individual academy will be the product of the per pupil rate multiplied by the number of pupils funded in their respective ESFA annual funding statement

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15. Central services (continued)

The per pupil rate for 2018/19, using the formula set out above, equated to £138.94 (2018: £126.26). This represents 3.3% of total GAG funding (2018: 2.9%)

The actual amounts charged during the year were as follows:

	2019 £000	2018 £000
St Ambrose Catholic Primary School	28	26
Hagley Catholic High School	153	135
St Joseph's Catholic Primary School	30	27
St Mary's Catholic Primary School	29	26
Our Lady Fatima Catholic Primary School	30	26
St Wulstans Catholic Primary School	24	23
Total	294	263

16. Trustees' remuneration and expenses

The company's governing document, its Memorandum and Articles of Association, permits the remuneration of Staff Trustees for fulfilling their roles as teachers and support staff.

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

		2019 £000	2018 £000
C van Vliet (Principal) (resigned 31 August 2019)	Remuneration	65 - 70	60 - 65
	Pension contributions paid	10 - 15	10 - 15
B McArdle (staff) (term ended 7 December 2018)	Remuneration	10 - 15	50 - 55
	Pension contributions paid	0 - 5	5 - 10
P Berry (staff) (term ended 30 November 2018)	Remuneration	5 - 10	35 - 40
	Pension contributions paid	0 - 5	5 - 10
S Horan (Principal)	Remuneration	80 - 85	80 - 85
	Pension contributions paid	10 - 15	10 - 15

During the year, retirement benefits were accruing to 4 Trustees (2018 - 4) in respect of defined benefit pension schemes.

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16. Trustees' remuneration and expenses (continued)

During the year ended 31 August 2019, expenses totalling £958 were reimbursed or paid directly to 5 Trustees (2018 - £260 to 2 Trustees). These were all costs incurred on behalf of the MAC; including hospitality, educational resources and events. B McArdle was reimbursed £471, S Horan £118, D Finucane £30, J Griffin £24 and C Van Vliet £315.

There were no (2018 - £Nil) amounts due to or from the Trustees at the year end.

The related party transactions were made in accordance with Saint Nicholas Owen Catholic Multi Academy's financial regulations and procurement procedures.

The articles of association permit the remuneration of Staff Trustees for the services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees

17. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

18. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2018	17,857	263	115	28	18,263
Additions	12	78	35	-	125
At 31 August 2019	17,869	341	150	28	18,388
Depreciation					
At 1 September 2018	1,299	142	95	22	1,558
Charge for the year	332	64	23	6	425
At 31 August 2019	1,631	206	118	28	1,983
Net book value					
At 31 August 2019	16,238	135	32	-	16,405
At 31 August 2018	16,558	121	20	6	16,705

The school land and buildings are leased from the Birmingham Roman Catholic Diocesan Trustees Registered under 125 leases running from 1 October 2014, with the exception of Our Lady Fatima Catholic Primary School whose lease runs for 43 years, with a peppercorn rent being charged. On the basis that the Multi Academy Company leases the land and buildings, rather than merely occupying them under license, it is considered to be appropriate to recognise the schools as assets.

19. Debtors

	2019 £000	2018 £000
Due within one year		
Trade debtors	14	19
Other debtors	663	599
Prepayments and accrued income	229	273
	906	891

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	544	217
Other taxation and social security	127	131
Pension payable	120	125
Other creditors	23	26
Accruals and deferred income	223	232
	<hr/> 1,037 <hr/>	<hr/> 731 <hr/>
	2019	2018
	£000	£000
Deferred income at 1 September 2018	143	132
Resources deferred during the year	144	143
Amounts released from previous periods	(143)	(132)
	<hr/> 144 <hr/>	<hr/> 143 <hr/>

At the balance sheet date the academy was holding funds received in advance for educational trips and grants relating to the 2019/20 academic year. Also included within deferred income is the 2019/20 element of the universal infant free school meals income received during 2018/19.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. Financial instruments

	2019	2018
	£000	£000
Financial assets		
Financial assets measured at fair value through income and expenditure	2,042	1,379
Financial assets that are debt instruments measured at amortised cost	737	670
	<u>2,779</u>	<u>2,049</u>
	2019	2018
	£000	£000
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(764)</u>	<u>(439)</u>

Financial assets measured at fair value through income and expenditure comprise of cash at bank in hand. The value of cash is determined with reference to the year end bank statements and reconciling; the fair value of cash being its face value.

Financial assets measured at amortised cost comprise trade debtors, other debtors, VAT receivable and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals, and other taxation and social security

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NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds

	Balance at 1 Sept. 2018 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds					
General Funds	1,354	394	(309)	-	1,439
Restricted general funds					
General Annual Grant (GAG)	-	8,992	(8,741)	-	251
Other DfE/ESFA grants	-	700	(700)	-	-
Other government grants	-	213	(213)	-	-
Other restricted funds	-	337	(337)	-	-
Pension reserve	(4,436)	-	(371)	(1,414)	(6,221)
	<u>(4,436)</u>	<u>10,242</u>	<u>(10,362)</u>	<u>(1,414)</u>	<u>(5,970)</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grants	355	161	(93)	-	423
Inherited funds	16,535	-	(332)	-	16,203
	<u>16,890</u>	<u>161</u>	<u>(425)</u>	<u>-</u>	<u>16,626</u>
Total Restricted funds	<u>12,454</u>	<u>10,403</u>	<u>(10,787)</u>	<u>(1,414)</u>	<u>10,656</u>
Total funds	<u>13,808</u>	<u>10,797</u>	<u>(11,096)</u>	<u>(1,414)</u>	<u>12,095</u>

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

General Annual Grant

The General Annual Grant (GAG) has been provided by DfE in order to fund the normal running costs of the MAC. During the year, the MAC's GAG income exceeded GAG expenditure and a balance was carried forward for future spend.

Other DfE/ESFA grants

Other DfE/ESFA grants include further grants received from the DfE/ESFA including pupil premium, Insurance and start up grants. All of the income received was fully expensed during the year. Expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds (continued)

Other government grants

Other government grants include grants received from the local authority including SEN funding. All of the income received was fully expensed during the year. Expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.

Other restricted funds

Other restricted funds include any restricted donations, school fund income and other activities whereby the income is to be used for restricted purposes. During the year, the MAC's expenditure exceeded the restricted income received and this deficit was covered by the surplus balance brought forward.

Pension reserve

The restricted pension reserve represents the deficit on the MAC's share of the Local Government Pension Scheme as at 31 August 2019. The closing fund deficit of £6,221,000 represents the actuarial valuation of the pension schemes at 31 August 2019. The MAC is making additional lump sum pension deficit payments in an attempt to reduce the deficit on the pension fund.

Restricted Fixed Asset Fund

Inherited funds represent the carrying value of the assets inherited on conversion less depreciation charged. DfE/ESFA capital grants represent the carrying value of cumulative DfE/ESFA capital grants spent on fixed items less depreciation charged.

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

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £000	2018 £000
Hagley Catholic High School	342	119
Our Lady of Fatima Catholic Primary School	345	318
St Ambrose Catholic Primary School	211	180
St Joseph's Catholic Primary School	198	174
St Mary's Catholic Primary School	377	312
St Wulstan's Catholic Primary School	197	221
Central Services	20	30
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,690	1,354
Restricted fixed asset fund	16,626	16,890
Pension reserve	(6,221)	(4,436)
	<hr/>	<hr/>
Total	12,095	13,808
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000
Hagley Catholic High School	3,270	664	473	893	5,300
Our Lady of Fatima Catholic Primary School	746	117	50	267	1,180
St Ambrose Catholic Primary School	581	110	71	160	922
St Joseph's Catholic Primary School	622	120	76	146	964
St Mary's Catholic Primary School	691	153	56	185	1,085
St Wulstan's Catholic Primary School	546	80	44	168	838
Central Services	-	539	42	(199)	382
Company	6,456	1,783	812	1,620	10,671

Included in the Central Services other support costs is £371,000 of LGPS service and interest costs that relate to the MAC as a whole.

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

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General Funds	1,209	391	-	(246)	-	1,354
Restricted general funds						
General Annual Grant (GAG)	-	8,980	(9,226)	246	-	-
Other DfE/ESFA grants	-	610	(610)	-	-	-
Other government grants	-	175	(175)	-	-	-
Other restricted funds	-	339	(339)	-	-	-
Pension reserve	(4,887)	-	(315)	-	766	(4,436)
	<u>(4,887)</u>	<u>10,104</u>	<u>(10,665)</u>	<u>246</u>	<u>766</u>	<u>(4,436)</u>
Restricted fixed asset funds						
DfE/ESFA Capital Grants	332	55	(32)	-	-	355
Inherited funds	16,906	-	(371)	-	-	16,535
	<u>17,238</u>	<u>55</u>	<u>(403)</u>	<u>-</u>	<u>-</u>	<u>16,890</u>
Total Restricted funds	<u>12,351</u>	<u>10,159</u>	<u>(11,068)</u>	<u>246</u>	<u>766</u>	<u>12,454</u>
Total funds	<u><u>13,560</u></u>	<u><u>10,550</u></u>	<u><u>(11,068)</u></u>	<u><u>-</u></u>	<u><u>766</u></u>	<u><u>13,808</u></u>

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23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	16,405	16,405
Current assets	1,439	1,289	221	2,948
Creditors due within one year	-	(1,038)	-	(1,038)
Provisions for liabilities and charges	-	(6,221)	-	(6,221)
	-	-	-	(1)
Total	1,439	(5,970)	16,626	12,095

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	16,705	16,705
Current assets	2,086	-	185	2,271
Creditors due within one year	(731)	-	-	(731)
Provisions for liabilities and charges	-	(4,436)	-	(4,436)
Total	1,355	(4,436)	16,890	13,809

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

24. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £000	2018 £000
Net expenditure for the year (as per Statement of Financial Activities)	(299)	(518)
Adjustments for:		
Depreciation	425	403
Capital grants from DfE and other capital income	(161)	(55)
Interest receivable	(1)	(1)
Defined benefit pension scheme cost less contributions payable	255	198
Defined benefit pension scheme finance cost	116	117
Increase in debtors	(15)	(268)
Increase/(decrease) in creditors	306	(149)
Net cash provided by/(used in) operating activities	626	(273)

25. Cash flows from investing activities

	2019 £000	2018 £000
Interest received	1	1
Purchase of tangible fixed assets	(125)	(62)
Capital grants from DfE Group	161	55
Net cash provided by/(used in) investing activities	37	(6)

26. Analysis of cash and cash equivalents

	2019 £000	2018 £000
Cash in hand	2,042	1,379
Total cash and cash equivalents	2,042	1,379

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NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2019**

27. Pension commitments

The company's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Worcestershire County Council and the West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £119,539 were payable to the schemes at 31 August 2019 (2018 - £124,826) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

27. Pension commitments (continued)

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

The employer's pension costs paid to TPS in the year amounted to £662,000 (2018 - £70,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £513,000 (2018 - £532,000), of which employer's contributions totalled £415,000 (2018 - £433,000) and employees' contributions totalled £ 98,000 (2018 - £99,000). The agreed contribution rates for future years are 4.4 to 18.8 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.60 %	3.70 %
Rate of increase for pensions in payment/inflation	2.20 %	2.25 %
Discount rate for scheme liabilities	1.83 %	2.73 %

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	20.9 - 22.8	21.9 - 22.7
Females	23.2 - 25.8	24.4 - 25.7
<i>Retiring in 20 years</i>		
Males	22.6 - 25.1	24.1 - 24.9
Females	25.1 - 28.2	26.7 - 27.9

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	(206)	(154)
Discount rate -0.1%	208	155
Mortality assumption - 1 year increase	239	168
Mortality assumption - 1 year decrease	(234)	(165)
	<u> </u>	<u> </u>

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

	At 31	At 31
	August 2019	August 2018
	£000	£000
Equities	2,137	1,835
Gilts	277	199
Corporate bonds	143	108
Property	232	170
Cash and other liquid assets	106	78
Derivatives	368	235
	<u> </u>	<u> </u>
Total market value of assets	3,263	2,625
	<u> </u>	<u> </u>

The actual return on scheme assets was £157,000 (2018 - £83,000).

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

	2019	2018
	£000	£000
Current service cost	(551)	(627)
Past service cost	(114)	-
Interest income	78	57
Interest cost	(194)	(174)
	<u> </u>	<u> </u>
Total amount recognised in the Statement of Financial Activities	(781)	(744)
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

27. Pension commitments (continued)

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

	2019 £000	2018 £000
At 1 September	7,061	6,923
Past service cost	114	-
Current service cost	551	627
Interest cost	194	174
Employee contributions	98	99
Actuarial losses/(gains)	1,493	(740)
Benefits paid	(27)	(22)
At 31 August	9,484	7,061

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

	2019 £000	2018 £000
At 1 September	2,625	2,036
Interest income	78	57
Actuarial gains	79	26
Employer contributions	410	429
Employee contributions	98	99
Benefits paid	(27)	(22)
At 31 August	3,263	2,625

28. Operating lease commitments

At 31 August 2019 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £000	2018 £000
Not later than 1 year	5	14
Later than 1 year and not later than 5 years	4	1
	9	15

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NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2019**

29. 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.

30. Related party transactions

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

Details of certain trustees' remuneration and expenses are disclosed in note 16. The following related party transactions took place in the financial period.

Donations totalling £180 (2018: £186) were received from 2 Trustees (2018: 2 Trustees); J Griffin donated £30 and C Beech £150. S Horan, trustee, who is also a parent, paid exam fees of £38 (2018: £Nil). £1,000 (2018: £Nil) was received from Worcestershire YMCA (a related party by virtue of Geoff Taylor Smith being an employee) for the hire of school premises. Saint Nicholas Owen is connected to the Newman University (05493384) as a result of Deirdre Finucane being Member of Council of the University and a Director of the MAC. During the year the MAC received £245 (2018: £420) of income from Newman University, for training. These transactions are considered to have taken place in the ordinary course of business.

The MAC paid £7,022 to the Archdiocese of Birmingham for support services.

There were no balances outstanding at the year end.

31. Agency arrangements

The multi academy company distributes 16 - 19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2019 the trust received £13,821 (2018: £14,916) and disbursed £13,983 (2018: £11,117) from the fund. An amount of £9,499 (2018: £6,661) is included in other creditors relating to undistributed funds that is repayable to the ESFA.