

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

(A Company Limited by Guarantee)

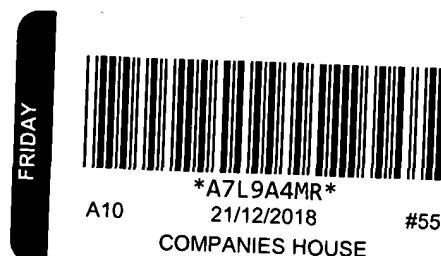
Operating as All Saints Multi Academy Trust



ALL SAINTS
Multi Academy Trust

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018



**Company Registration Number: 07007398
(England and Wales)**

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

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THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Reference and Administrative Details

Members

The Liverpool Joint Catholic and Church of England Education Trust (Corporate Member)

Mr B Marsh

Mr A Scott

Trustees

Mr P Alcock Chair of the Local Governing Body at The Academy of St Francis of Assisi

Mr C Cleugh Chair of the Local Governing Body of The Academy of St Nicholas

Mr T Warren Archdiocese of Liverpool's Director of Schools and Colleges

Mr B Marsh Chair of the Trust Board

Mr M Elliot Chair of the Audit Committee

Lady E Hedley Vice-Chair of the Local Governing Body at The Academy of St Francis of Assisi

Father R Peers Diocese of Liverpool's Director of Education

Mr A Scott Vice-Chair of the Trust Board

Mrs A Pontifex Ex-Officio (Executive Headteacher – Resigned 31st August 2018)

Mr D Clayton Ex-Officio (Chief Executive Officer – Appointed 1st September 2018)

Trust Leadership Group

Position

Mr D Clayton Chief Executive Officer (with effect from 1st September 2018)
Trust Director of Finance and Resources (until 31st August 2018)

Mrs A Pontifex Executive Headteacher (resigned 31st August 2018)

Mrs T Greenough Headteacher – The Academy of St Francis of Assisi

Mr D Lancaster Headteacher – The Academy of St Nicholas

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Reference and Administrative Details

Company Name	The Liverpool Joint Catholic and Church of England Academies Trust
Principal and Registered Office	51 Horrocks Avenue Garston Liverpool L19 5NY
Company Registration Number	07007398 (England and Wales)
Independent Auditor	RSM UK Audit LLP Chartered Accountants Bluebell House Brian Johnson Way Preston PR2 5PE
Bankers	Lloyds Bank PLC Merchants Court 2-12 Lord Street Liverpool Merseyside L2 ITS

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Trustees' Report

The Trustees present their report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates two Academies for pupils aged 11 – 18 in Liverpool. Its Academies have a combined pupil capacity of 2,160, and a roll of 1,537 in the school census in October 2018.

Structure, Governance and Management

Constitution

The Liverpool Joint Catholic and Church of England Academies Trust is a company limited by guarantee (No. 07007398) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of The Liverpool Joint Catholic and Church of England Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as All Saints Multi Academy Trust.

Details of the Trustees who served during the period are included in the Reference and Administrative Details on page 2.

Members' liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim.

Method of Recruitment and Appointment or Election of Trustees

The members shall appoint a minimum of four directors, provided that the number of directors representing the Archdiocese of Liverpool shall be equal to the number of directors representing the Diocese of Liverpool. The Chief Executive Officer shall be an ex-officio director.

The directors may appoint a further two co-opted directors, with the consent of the sponsor, for a term not exceeding four years.

Policies and Procedures for the Induction and Training of Trustees

All Trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally a minimal number of appointments as Trustees within a year, induction is done informally and is tailored specifically to the individual.

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Trustees' Report

Organisational Structure

The management structure consists of two levels: Governance (being the Trust Board and the Local Governing Bodies), and the Trust Leadership Group comprising the Chief Executive Officer (who is also the Accounting Officer), and the Headteacher for each of the Trust's Academies. The aim of the management structure is to devolve responsibility and accountability to support decision making at all levels.

The Trustees, supported by the Local Governing Bodies are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust through the use of management reports and making decisions about the strategic direction of the Academy Trust, significant items of capital expenditure and the staffing structure.

The Trust Leadership Group controls the Academy Trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a team the Trust Leadership Group is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Leadership Team always contain a member of the Local Governing Body/Trust Board, as appropriate.

Each Academy then has a Senior Leadership team, led by the Headteacher, which includes a combination of Deputy Headteachers, Assistant Headteachers, Directors of Curriculum and Directors of Progress. These leaders, along with the Trust Leadership Group, are responsible for the day to day operation of the constituent Academies, in particular managing the staff, students and facilities.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust Board has established a separate Remuneration Committee which is responsible for setting pay and remuneration for key management personnel. The Committee have established a pay scale attached to each post based on relevant benchmarking data and guidance included within the School Teacher Pay and Conditions document. Progression along this pay scale is linked to performance, and decisions regarding progression are made by the Remuneration Committee on an annual basis following the completion of the performance management cycle.

Related Parties and other Connected Charities and Organisations

The Academy Trust is sponsored by The Liverpool Joint Catholic and Church of England Education Trust, a charitable company which is jointly controlled by the Diocese of Liverpool, and the Archdiocese of Liverpool. The Sponsor is responsible for appointing certain members of the Board of Trustees (as noted above). The Sponsor supports the Academy Trust by working closely with the Trust Management Team and the Board of Trustees in setting the strategic objectives of the Academy Trust and reviewing plans for improvement. In addition, the Sponsor is also responsible for monitoring the financial position of the Academy Trust.

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Trustees' Report

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	0
Total pay bill	£8,605k
Percentage of total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of the Academy of St Francis of Assisi and The Academy of St Nicholas (incorporating All Saints Sixth Form College):

- to advance the education of the public in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a joint Church of England and Roman Catholic secondary school offering a broad curriculum with a strong emphasis on, but not limited to, the environment to be conducted in accordance with the principles and practices of both the Church of England and the Roman Catholic Church; and
- to provide facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the object of improving the conditions of life of the said community.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy Trust's aims and objectives.

The main objectives of the Academy Trust during the year ended 31 August 2018 are summarised below:

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Trustees' Report

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement and progress of all students;
- to improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The Academy Trust's main objectives are set out above.

The main strategies for improvement consist of:

- Securing leadership capacity through increased accountability and high quality continued professional development for all staff;
- Improving teaching, learning and assessment in order to secure the best possible outcomes for students;
- Developing the whole child through our unique Christian ethos, values and environmental specialism to create respectful, caring and compassionate citizens in the community; and
- Developing the organization to provide a financially sustainable future, where funds are available to invest in improving resources and the learning environment for students.

Public Benefit

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission in defining the strategic direction of the Academy Trust.

Strategic Report

Achievements and Performance

Performance against Objectives

Educational performance within the Trust demonstrated an improving trend in 2017/18. Whilst published data suggests a decline in progress in both Academies, the Trust has completed a full analysis of progress of students across all year groups and concluded the following:

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Trustees' Report

- Internal data for The Academy of St Francis of Assisi (which more accurately reflects the transience of the community) suggests that the progress of students at the end of key stage 4 is broadly in line with national average.
- The current rate of progress, i.e. progress made in the last academic year, in both Academies demonstrates the progress has significantly increased, reflecting an improvement in the quality of provision.
- Attainment across the majority of subjects in both Academies demonstrated an improvement. English, which had been identified as a key area of focus at the beginning of the academic year, demonstrated improving attainment in both Academies.
- The progress of pupils with high prior attainment, also identified as a key area of focus at the beginning of the academic year improved in both Academies.

In addition, All Saints Sixth Form College, the Trust's collaborative 16-19 provision, achieved an overall value added score of +0.42, demonstrating that students make progress that is, on average, better than their peers nationally. The Trust is delighted with this achievement in the first year of the College's operating.

A review of current progress amongst other year groups within both Academies demonstrates a continually improving trend and the Trust is, therefore, confident that further improvements in outcomes will be achieved.

Ofsted Section 5 Inspection

The Academy of St Francis of Assisi has not yet been inspected since joining the Trust in January 2016.

The Academy of St Nicholas was subject to a Section 5 inspection in November 2016. Inspectors judged that the Academy no longer required special measures, and the judgement on overall effectiveness improved from inadequate to requires improvement. Inspectors commented positively on the additional capacity provided by the Trust, and the Academy's ability to achieve further improvements. Subsequently, the Academy has implemented a plan for "getting to good".

Going Concern

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

Financial Review

Financial Objectives

The Academy Trust's financial objectives are:

- to achieve an annual operating surplus;
- to generate sufficient levels of income to support the asset base of the Academy Trust;
- to ensure the Academy Trust's continued liquidity;

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Trustees' Report

- to generate sufficient reserves to fund continued capital investment.

The Academy Trust's achievements in line with these objectives are noted below.

Operational Review

The majority of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period and the associated expenditure are shown under Restricted Funds in the Statement of Financial Activities.

Expenditure for the year exceeded income by £1,475,000 (2017: £1,387,000) after providing for depreciation and loss on disposal of fixed assets totalling £1,088,000 (2017: £1,235,000). The deficit generated before providing for depreciation and loss on disposal of fixed assets was £387,000 (2017: £152,000).

Whilst the fixed costs of the Academy Trust's staffing, building maintenance and IT maintenance represent the majority of the Academy Trust's expenditure, we have also continued to invest in providing the best resources for our students to ensure that they continue to receive the very best education.

At 31 August 2018 the net book value of fixed assets was £35,563,000 (2017: £36,636,000) and movements in tangible fixed assets are shown in note 11 to the financial statements.

The Academy Trust held fund balances at 31 August 2018 of £30,769,000 (2017: £30,977,000) comprising £35,563,000 (2017: £36,636,000) of restricted fixed asset funds, and £677,000 (2017: £548,000) of unrestricted funds, offset by a pension scheme liability totalling £4,657,000 (2017: £5,671,000) and a deficit of £814,000 (2017: £536,000) on restricted general funds. The fund balances are adequate to fulfil the obligations of the Academy Trust and provide a balance against most unforeseen future events.

Reserves Policy

The policy of the Academy Trust is to carry forward a prudent level of free reserves (total funds less the amount held in fixed assets and restricted funds) designed to meet the long term cyclical needs of renewal and any other unforeseen circumstances. Following their annual review, the Trustees consider that the current level of reserves are not sufficient, and a financial recovery plan is in place to improve this position. Despite the reduction in free reserves from £12,000 to a deficit of £137,000, The Academy Trust continues to perform ahead of the financial recovery plan.

Investment Policy

The Academy Trust is firmly committed to ensuring that all funds under its control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of funds.

Trustees' management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. The Academy Trust will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these

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funds in order to generate a longer term income or capital fund. The approval of the Finance and General Purposes Committee is required before any investment is made.

Risk Management

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the Academy Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the following statement.

The Academy Trust continues to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy Trust's assets and reputation.

The Trust Leadership Group undertakes a comprehensive review of the risks to which the Academy Trust is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy Trust. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review the Trust Management Team also consider any risks which may arise as a result of any new area of work being undertaken by the Academy Trust.

A risk register is maintained at the Trust level which is reviewed at least annually by the full Trust Board and more frequently by the Finance and Business Committee and Trust Leadership Group. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Principal Risks and Uncertainties

Outlined below is a description of the principal risk factors that may affect the Academy Trust. Not all the factors are within the Academy Trust's control. Other factors besides those listed below may also adversely affect the Academy Trust.

- Uncertainty with regard to the impact of future Government funding reforms
- Potential difficulties in reaching capacity in the constituent Academies.
- Potential difficulties in obtaining capital funding to ensure the Academy Trust's premises continue to meet the needs of its students

These risks are mitigated in a number of ways including:

- Ensuring the Academy Trust is rigorous in delivering high quality education and training
- A comprehensive marketing/PR programme including activities for primary pupils and parents
- Rigorous monitoring of financial activities ensuring value for money

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Trustees' Report

- Maintenance of a detailed property strategy to ensure maximum value is obtained from the Academy Trust's premises.

Fundraising

The core fundraising initiative in place across the multi academy trust are based on the hire of facilities owned by the Multi Academy Trust. These funds are generated in collaboration with a commercial partner who manage the marketing and staffing of facilities outside of teaching time. Periodic reviews are undertaken with the commercial body to ensure maximum value for money is being obtained. During the 12 months to August 2018 there were no complaints made regarding the Trust's fundraising activities.

The Academy Trust tries to protect the public and vulnerable people from unreasonably intrusive or persistent fundraising approaches by completing full appraisals of any potential fundraising activities carried out by The Academy Trust, prior to their commencement.

Plans for Future Periods

The main objectives for the coming year are to:

- improve the progress made by all students by ensuring the very best quality of provision across all schools, all subjects and all key stages through continuous improvements in the quality of teaching and learning, further refinement of the curriculum and the development of capacity in leadership within core subjects.
- increase the pace of improvement with regards to attendance and punctuality to more rapidly diminish the difference between the Trust and national averages by reviewing current arrangements with regards to education welfare and providing greater support and challenge to attendance leaders across the Trust.
- embed further a culture of support, and challenge without fear, to ensure that all people within the Trust are developed, and that appropriate opportunities for progression exist and are encouraged, resulting in improved retention of staff, and the Trust being recognised as an employer of choice.
- further develop the corporate structures of the Trust, embedding a more streamlined and effective method of managing risk and monitoring compliance with statutory regulations, ensuring the financial position of the Trust continues to improve in accordance with the financial recovery plan and increasing the effectiveness of governance at all levels.
- further develop the Christian Ethos of the Trust so that the Academies' vision and mission statements are embraced and owned by all students and staff, and so that the effectiveness of the Christian Ethos improves in both Academies in accordance with the Section 48 criteria.

Funds held as a custodian Trustee on behalf of others

The Trust holds cash assets on behalf of LSSP, a Charitable Incorporated Organisation. LSSP delivers sports services to schools across Liverpool. The Trust performs administrative duties for LSSP as a nominated lead school. All records are processed independently to those of the Trust in order to ensure adequate segregation of funds.

Statement as to disclosure of information to auditors

The Trustees have confirmed that, as far as they are aware,

- there is no relevant audit information of which the auditor is unaware; and

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Trustees' Report

- each of the Trustees have confirmed that they have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that this has been communicated to the auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

Trustees' report, incorporating a strategic report, approved by order of the board of Trustees, as the Company Directors, on 13th December 2018 and signed on its behalf by:



Bryn Marsh
Chair

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Liverpool Joint Catholic and Church of England Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year and attendance was as follows:

	Meetings Attended	Out of a Possible
Mr B Marsh (Chair)	3	3
Mr A Scott (Vice-Chair)	2	3
Mr C Cleugh	3	3
Mr P Alcock	3	3
Mr M Elliott	2	3
Father Richard Peers	1	3
Mr T Warren	3	3
Lady E Hedley	3	3
Mrs A Pontifex (resigned 31 st August 2018)	3	3

Governance Review

The board of Trustees has reviewed a number of key policies and procedures in the year to evaluate their effectiveness and has conducted an external review of governance. A full action plan is in place to respond to the recommendations raised. Each of these policies has been updated where appropriate to ensure the standards of governance within the Trust continue to meet expectations. The board will continue to evaluate its effectiveness in the next financial year.

The Audit Committee is a sub-committee of the Trust Board. Its purpose is:

- monitoring the integrity of the financial statements

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Governance Statement

- reviewing internal financial controls and reviewing the company's internal control and risk management systems
- monitoring and reviewing the effectiveness of the internal controls reviews
- making recommendations to the board in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor
- reviewing the auditor's independence and objectivity

	Meetings Attended	Out of a Possible
Mr M Elliott (Chair)	1	2
Mr C Cleugh	2	2
Mr P Alcock	2	2

Review of Value for Money

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

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

- Completing a full review of the curriculum and staffing based on costing information to ensure that the level of investment in each subject area is in proportion to the number of students studying the subject.
- Reviewing the value for money obtained from all non-core expenditure including, for example, professional subscriptions, marketing activities and administration costs and changing purchasing practices accordingly.
- Utilising the opportunities for economies of scale offered by the Trust arrangement to reduce costs.
- Conducting and external review of the use of Pupil Premium funding.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Liverpool Joint Catholic and Church of England Academies Trust for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

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Governance Statement

Capacity to Handle Risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed RSM UK Audit LLP, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the auditor reports to the board of Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities. There have been no material control issues arising as a result of the auditor's work during the year. The schedule of audit work has been completed as planned for the year.

Review of Effectiveness

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

- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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Governance Statement

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

Approved by order of the members of the Board of Trustees on 13th December 2018 and signed on its behalf by:



Bryn Marsh
Chair



David Clayton
Chief Executive Officer and Accounting Officer

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Statement on Regularity, Propriety and Compliance

As accounting officer of The Liverpool Joint Catholic and Church of England Academies Trust I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with Education and Skills Funding Agency terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and the Education and Skills Funding Agency.



David Clayton
Chief Executive Officer and Accounting Officer

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Statement of Trustees Responsibilities

The Trustees (who act as Governors of The Liverpool Joint Catholic and Church of England Academies Trust and 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 Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education and Skills Funding Agency/Department for Education 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 13th December 2018 and signed on its behalf by:



Bryn Marsh
Chair

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Independent Auditors' Report to the Board of Trustees of The Liverpool Joint Catholic and Church of England Academies Trust for the period ending on 31 August 2018

Opinion on financial statements

We have audited the financial statements of The Liverpool Joint Catholic and Church of England Academies Trust (the "charitable company") for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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, United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2017 to 18 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 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 Companies Act 2006; and
- have been prepared in accordance with the Academies: Accounts Direction 2017 to 18 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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.

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

We have nothing to report in this regard.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report and the incorporated 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 Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and the incorporated Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 18, Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Karen Musgrave (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Bluebell House

Brian Johnson Way

Preston

PR2 5PE

25/12/10

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

		Unrestricted	Restricted	Restricted	Total	Total
	Note	Funds	General	Fixed	2018	2017
		£000	£000	£000	£000	£000
Income and endowments from:						
• Donations and capital grants	2	-	95	15	110	80
Charitable Activities: -						
• Funding for the Academy Trust's education operations	5	-	10,677	-	10,677	12,028
• Other trading activities	3	129	208	-	337	196
• Investment income	4	-	-	-	-	1
Total		129	10,980	15	11,124	12,305
Expenditure on:						
Raising funds						
Charitable activities						
• Academy Trust's educational operations	6	-	(11,511)	(1,088)	(12,599)	(13,692)
Total	6	-	(11,511)	(1,088)	(12,599)	(13,692)
Net income / (expenditure)		129	(531)	(1,073)	(1,475)	(1,387)
Transfers between funds	14	-	-	-	-	-
Net income / (expenditure) for the year		129	(531)	(1,073)	(1,475)	(1,387)
Other recognised gains / (losses)						
Remeasurement of defined benefit pension scheme	23	-	1,267	-	1,267	1,658
Net movement in funds		129	736	(1,073)	(208)	271
Funds brought forward at 1 September 2017	14	548	(6,207)	36,636	30,977	30,706
Funds / (deficit) carried forward at 31 August 2018		677	(5,471)	35,563	30,769	30,977

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Balance Sheet as at 31 August 2018

(Company Limited by Guarantee - number 07007398)

	Notes	2018 £000	2017 £000
Fixed assets			
Tangible assets	10	35,563	36,636
Current assets			
Debtors	11	606	455
Cash at bank and in hand		510	796
		<u>1,116</u>	<u>1,251</u>
Current Liabilities			
Creditors: Amounts falling due within one year	12	(1,161)	(1,134)
Net current (liabilities)/assets		<u>(45)</u>	<u>117</u>
Total assets less current liabilities		<u>35,518</u>	<u>36,753</u>
Creditors: Amounts falling due after more than one year	13	(92)	(105)
Net assets excluding pension		<u>35,426</u>	<u>36,648</u>
Pension scheme liability	23	(4,657)	(5,671)
Net assets		<u>30,769</u>	<u>30,977</u>
Funds of the Academy Trust:			
Restricted income funds			
Fixed asset funds	14	35,563	36,636
General funds	14	(814)	(536)
Pension reserve	14	(4,657)	(5,671)
Total restricted funds		<u>30,092</u>	<u>30,429</u>
Unrestricted General fund	14	677	548
Total Funds	14	<u>30,769</u>	<u>30,977</u>

These financial statements on pages 22 to 47 were approved by the Board of Trustees and authorised for issue on 13th December 2018 and signed by:



Bryn Marsh
Chair

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Statement of Cash Flows for the Year Ended 31 August 2018

	Notes	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by operating activities	18	(286)	(34)
Cash flows from investing activities	19	-	(59)
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the period		(286)	(93)
Cash and cash equivalents at 31 August 2017		796	889
Cash and cash equivalents at 31 August 2018	20	510	796

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

1. Statement of Accounting Policies

1.1. General information

The Trust is a charitable company. The address of its principal place of business is given on page 3 and the nature of its operations are set out in the Trustees report.

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

1.2. Basis of Preparation

The financial statements of The Liverpool Joint Catholic and Church of England Academies Trust, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Liverpool Joint Catholic and Church of England Academies Trust meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

1.3. Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The academy trust is carrying a net deficit of £137k on restricted general funds (excluding pension reserve) plus unrestricted funds due to the ongoing financial constraints which have not been met by central funding. The current position is in line with the financial recovery plan agreed with the ESFA and the Trust anticipates returning to a cumulative surplus during the 2019/2020 financial year.

1.4. Fund accounting

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

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

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

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

1.5. Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, there is certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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 entitlement its recognition is deferred and it is included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income

Other income is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

1.6. Resources expended

All expenditure is recognised in the period in which a liability is incurred and is classified under headings that aggregate all costs relating to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the relevant proportions of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

All resources expended are inclusive of irrecoverable VAT.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

1.7. Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such costs is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Freehold and leasehold buildings	2%
Furniture and equipment	Either 10% or 20%
Computer equipment	25% or 33.33%

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

1.8. Taxation

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

1.9. Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. 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 Gains and Losses.

1.10. Leased assets

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

1.11. Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12 and 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12. Agency Arrangements

The Academy Trust acts as an agent distributing Looked After Children funds from the Local Authority. Payments received from the Local Authority 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 Academy Trust also acts as an agent distributing 16-19 bursary funds from EFA. Payments received from EFA 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 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and any balances held are disclosed in note 25.

The Academy of St Nicholas, one of the Academies within the Trust, acts as an agent in the management of funds collected on behalf of the Liverpool School Sports Partnership. Amounts received on behalf of the Partnership and subsequent expenditure made on behalf of the Partnership are excluded from the statement of financial activities as the Trust does not have control over the application of the funds.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

1.13. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

2. Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Capital grants	-	15	15	31
Other donations	-	95	95	49
	-	110	110	80

The income from donations and capital grants was £110,000 (2017: £80,000) of which £nil was unrestricted (2017: £nil), £95,000 restricted (2017: £49,000) and £15,000 restricted fixed assets (2017: £31,000).

3. Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Hire of facilities	45	-	45	40
Catering income	-	208	208	99
Other income	84	-	84	57
	129	208	337	196

The income from other trading activities was £337,000 (2017: £196,000) of which £129,000 was unrestricted (2017: £97,000), and £208,000 restricted (2017: £99,000).

4. Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Bank deposit interest	-	-	-	1
	-	-	-	1

The income from investment income was £nil (2017: £1,000) of which £nil was unrestricted (2017: £1,000), and £nil restricted (2017: £nil).

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

5. Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
DfE/ESFA Grants				
• General Annual Grant	-	9,758	9,758	11,058
• Other DfE/ESFA Grants	-	883	883	914
	-	10,641	10,641	11,972
Other Government Grants				
• Local Authority Grants	-	36	36	56
	-	36	36	56
	-	10,677	10,677	12,028

The income from funding for educational operations was £10,677,000 (2017: £12,028,000) of which £10,677,000 was restricted (2017: £12,028,000).

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

6. Resources Expended

	Non Pay Expenditure				
	Staff Costs £000	Premises costs £000	Other costs £000	Total 2018 £000	Total 2017 £000
Academy Trust's educational operations:					
• Direct costs	6,741	1,088	951	8,780	9,796
• Allocated support costs	1,864	931	1,024	3,819	3,896
	8,605	2,019	1,975	12,599	13,692

Net income/(expenditure) for the period includes:

	2018 £000	2017 £000
Operating lease rentals	22	34
Depreciation	1,071	1,229
Loss on disposal	17	6
Fees payable to auditor for:		
• Audit	16	16
• Other services	1	1
Net interest on defined benefit pension liability	253	265

Included within resources expended are £17,000 (2017: £6,000) of fixed asset losses on disposal. None of these transactions were more than £5,000 individually.

The expenditure on educational operations was £12,599,000 (2017: £13,692,000) of which £nil was unrestricted (2017: £nil), £11,511,000 was restricted (2017: £12,457,000) and £1,088,000 was restricted fixed assets (2017: £1,235,000).

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

6. Charitable Activities

	Total 2018 £000	Total 2017 £000
Direct Costs		
Educational Operations	8,780	9,796
Support costs		
Educational Operations	3,819	3,896
	12,599	13,692

	Educational Operations £000	Total 2018 £000	Total 2017 £000
Analysis of support costs			
Support staff costs	1,864	1,864	1,686
Depreciation	-	-	-
Technology costs	131	131	138
Premises costs	931	931	1,066
Other support costs	745	745	851
Governance costs	148	148	155
	3,819	3,819	3,896

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

6. Charitable activities (continued...)

Central Services

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

- human resources
- financial services
- educational support services
- others as arising

The trust charges for these services on an equal basis across each school.

The actual amounts charged during the year were as follows:

	2018 £000	2017 £000
The Academy of St Nicholas	327	393
The Academy of St Francis of Assisi	327	425
	654	818

7. Staff

a. Staff costs

	2018 £000	2017 £000
Staff costs during the period were:		
Wages and salaries	6,355	6,373
Social security costs	629	652
Operating costs of defined benefit pension schemes	1,017	1,256
	8,001	8,281
Supply staff costs	409	608
Staff restructuring costs	195	117
	8,605	9,006

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual payments totalling £13,834 (2017: £37,370). Individually, the payments were, £6,449, £2,763, £1,943, £1,279, £1,000 and £400.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

c. Staff numbers

The average number of persons employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2018 No.	2017 No.
Charitable activities:		
Teachers	79	97
Administration and Support	83	92
Management	9	10
	171	199

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No.	2017 No.
£60,001 - £70,000	4	4
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
£90,001 - £100,000	3	1
£100,001 - £110,000	-	-
£140,001 - £150,000	1	1

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £525,917 (2017: £480,415).

8. Trustees' Remuneration and Expenses

The Executive Headteacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

Anne Pontifex (Executive Headteacher):

- Remuneration £150,000 (2017: £150,000)
- Employer's pension contributions £24,720 (2017: £24,720)

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

During the period ended 31 August 2018, £18 (2017: £nil) of travel and subsistence expenses were reimbursed to trustees. Other related party transactions including the trustees are set out in note 24.

9. Trustees' and Officers' Insurance

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

10. Tangible Fixed Assets

	Freehold and Leasehold Property £000	Computer Equipment £000	Furniture & Equipment £000	Total £000
Cost				
At 1 September 2017	38,783	1,507	1,631	41,921
Additions	10	67	5	82
Disposals	-	(36)	-	(36)
At 31 August 2018	38,793	1,538	1,636	41,967
Depreciation				
At 1 September 2017	2,598	1,412	1,275	5,285
Charged in year	840	121	193	1,154
Disposals	-	(35)	-	(35)
At 31 August 2018	3,438	1,498	1,468	6,404
Net book values				
At 31 August 2018	35,355	40	168	35,563
At 31 August 2017	36,185	95	356	36,636

The Academy Trust has title to the land on which The Academy of St Francis of Assisi stands. The land was transferred from Liverpool City Council and is subject to a covenant relating to use.

11. Debtors

	2018 £000	2017 £000
Trade debtors	156	85
VAT recoverable	96	54
Other debtors	2	1
Prepayments and accrued income	352	315
	606	455

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Notes to the Financial Statements for the Year Ended 31 August 2018

12. Creditors: Amounts Falling Due Within One Year

	2018 £000	2017 £000
Trade creditors	121	52
Taxation and social security	254	278
Amounts due to the Education Funding Agency	13	13
Other creditors	514	509
Accruals and deferred income	259	282
	1,161	1,134

Deferred income

Deferred income at 1 September 2016	24
Resources deferred in the year	36
Amounts released from previous years	(24)
Deferred income at 31 August 2017	36

The deferred income creditor at 31 August 2018 comprised a number of restricted grants received for specific purposes.

13. Creditors: Amounts Falling Due After More Than One Year

	2018 £000	2017 £000
Amounts due to the Education and Skills Funding Agency	92	105
	92	105

	2018 £000	2017 £000
Amounts falling due:		
Between one and two years	13	13
Between two and five years	52	52
In over five years	27	40
	92	105

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14. Funds

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant	(536)	9,758	(10,036)	-	(814)
Pupil Premium	-	883	(883)	-	-
Other grants and income	-	339	(339)	-	-
Pension reserve	(5,671)	-	(253)	1,267	(4,657)
	(6,207)	10,980	(11,511)	1,267	(5,471)
Restricted fixed asset funds					
DfE/EFA capital grants	15,245	15	(794)	-	14,466
Funded from GAG	576	-	(254)	-	322
Sponsorship funded	20,815	-	(40)	-	20,775
	36,636	15	(1,088)	-	35,563
Total restricted funds	30,429	10,995	(12,599)	1,267	30,092
Unrestricted funds					
Unrestricted funds	548	129	-	-	677
Total unrestricted funds	548	129	-	-	677
Total funds	30,977	11,124	(12,599)	1,267	30,769

The academy trust is carrying a net deficit of £137k on restricted general funds (excluding pension reserve) plus unrestricted funds due to the ongoing financial constraints which have not been met by central funding. The current position is in line with the financial recovery plan agreed with the ESFA and the Trust anticipates returning to a cumulative surplus during the 2019/2020 financial year.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

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

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant	(538)	11,057	(11,039)	(16)	(536)
Pupil Premium	-	914	(914)	-	-
Other grants and income	34	205	(239)	-	-
Pension reserve	(7,064)	-	(265)	1,658	(5,671)
	(7,568)	12,176	(12,457)	1,642	(6,207)
Restricted fixed asset funds					
DfE/EFA capital grants	15,586	31	(372)	-	15,245
Funded from GAG	633	-	(116)	59	576
Sponsorship funded	21,562	-	(747)	-	20,815
	37,781	31	(1,235)	59	36,636
Total restricted funds	30,213	12,207	(13,692)	1,701	30,429
Unrestricted funds					
Unrestricted funds	493	98	-	(43)	548
Total unrestricted funds	493	98	-	(43)	548
Total funds	30,706	12,305	(13,692)	1,658	30,977

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant	(538)	20,815	(21,075)	(16)	(814)
Pupil Premium	-	1,797	(1,797)	-	-
Other grants and income	34	544	(578)	-	-
Pension reserve	(7,064)	-	(518)	2,925	(4,657)
	(7,568)	23,156	(23,968)	2,909	(5,471)
Restricted fixed asset funds					
DfE/EFA capital grants	15,586	46	(1,166)	-	14,466
Funded from GAG	633	-	(370)	59	322
Sponsorship funded	21,562	-	(787)	-	20,775
	37,781	46	(2,323)	59	35,563
Total restricted funds	30,213	23,202	(26,291)	2,968	30,092
Unrestricted funds					
Unrestricted funds	493	227	-	(43)	677
Total unrestricted funds	493	227	-	(43)	677
Total funds	30,706	23,429	(26,291)	2,925	30,769

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Total funds analysis by academy

	2018	2017
Fund balances at 31 August 2018 were allocated as follows:	£000	£000
The Academy of St Nicholas	(304)	(222)
The Academy of St Francis Of Assisi	167	234
The Liverpool Joint Catholic and Church of England Academies Trust	-	-
Total before fixed assets fund and pension reserve	(137)	12
Restricted fixed asset fund	35,563	36,636
Pension reserve	(4,657)	(5,671)
Total Funds	<u>30,769</u>	<u>30,977</u>

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2018	Total 2017
	£000	£000	£000	£000	£000	£000
The Academy of St Nicholas	3,376	782	119	1,382	5,659	5,508
The Academy of St Francis Of Assisi	3,093	754	177	1,191	5,215	6,137
The Liverpool Joint Catholic and Church of England Academies Trust	272	328	-	54	654	818
	<u>6,741</u>	<u>1,864</u>	<u>296</u>	<u>2,627</u>	<u>11,528</u>	<u>12,463</u>

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

Restricted Fund

This fund represents grants received for the Academy Trust's operational activities and development.

Fixed Asset Fund

These grants relate to funding received from the DfE, ESFA and private sponsors to carry out works of a capital nature. In addition, ICT equipment and furniture and equipment which have been funded through capital grants or the General Annual Grant from the ESFA are also included within this fund.

Unrestricted Fund

This fund represents income received without restriction, for example bank interest and lettings income, which has not yet been spent.

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15. Analysis of net assets between funds

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total £000
Tangible fixed assets			35,563	35,563
Current assets	615	501		1,116
Current liabilities		(1,161)		(1,161)
Long term liabilities		(92)		(92)
Pension scheme liability		(4,657)		(4,657)
	615	(5,409)	35,563	30,769

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

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total £000
Tangible fixed assets			36,636	36,636
Current assets	548	703		1,251
Current liabilities		(1,134)		(1,134)
Long term liabilities		(105)		(105)
Pension scheme liability		(5,671)		(5,671)
	548	(6,207)	36,636	30,977

16. Capital Commitments

There were no capital commitments at the period end (2017: £Nil).

17. Operating Lease Commitments

At 31 August 2018 the Academy Trust had total future lease payments under non-cancellable operating leases as follows:-

	2018 £000	2017 £000
Equipment expiring:		
• Within one year	44	30
• Within two to five years	153	67
	197	97

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

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

	2018 £000	2017 £000
Net income/(expenditure) for the reporting period	(1,475)	(1,387)
Adjusted for:		
Depreciation	1,071	1,229
Loss on disposal	17	6
Capital grants from DfE and other capital income	(15)	(30)
Interest receivable	-	(1)
Defined benefit pension scheme cost less contributions payable	253	121
Defined benefit pension scheme finance cost	-	144
(Increase)/decrease in debtors	(151)	198
Increase/(decrease) in creditors	14	(314)
Net cash inflow from operating activities	(286)	(34)

19. Cash flows from investing activities

	2018 £000	2017 £000
Purchase of tangible fixed assets	(17)	(90)
Dividends, interest and rents from investments	-	1
Capital grants from DfE/ESFA	17	30
	-	(59)

20. Analysis of cash and cash equivalents

	2018 £000	2017 £000
Cash in hand and at bank	510	796
	510	796

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21. Contingent liabilities

In the event that during the period of the funding agreement, the Academy Trust sells or disposes of by other means any asset for which a capital grant was received, the company shall repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Academy Trust for its charitable purposes.

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

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

22. 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.

23. Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, 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.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

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%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £555,000 (2017: £602,000).

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 a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £475,000 (2017: £481,000), of which employer's contributions totalled £383,000 (2017: £389,000) and employees' contributions totalled £92,000 (2017: £92,000). The agreed contribution rates for future years are between 14.0 and 15.1 per cent for employers and between 5.5 per cent 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.

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Principal Actuarial Assumptions

	2018 %	2017 %
Rate of increase in salaries	3.6%	3.7%
Rate of increase for pensions in payment/deferment	2.2%	2.2%
Discount rate for scheme liabilities	2.8%	2.4%
Inflation assumption (CPI)	2.1%	2.2%

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

	2018	2017
<i>Retiring today</i>		
Males	22.0	21.6
Females	24.8	24.7
<i>Retiring in 20 years</i>		
Males	25.0	24.2
Females	27.8	27.7

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair Value at 31 August 2018 £000	Fair Value at 31 August 2017 £000
Equities	3,648	3,304
Government Bonds	239	214
Other Bonds	828	763
Property	638	504
Cash/equity	217	303
Other	1,446	1,217
Total market value of assets	7,016	6,305

The expected rate of return on plan assets is based on market expectations at the beginning of the period for investment returns over the entire life of the related obligation. The assumption used is the average of the assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

The actual return on scheme assets was £372,000 (2017: £938,000).

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Amounts recognised in the Statement of Financial Activities

	2018 £000	2017 £000
Current service cost (net of employer contributions)	121	121
Interest on plan assets	(155)	(111)
Interest on pension liabilities	287	255
Total operating charge	253	265

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

	2018 £000	2017 £000
At 1 September 2017	11,976	12,203
Current service cost	496	502
Interest cost	287	255
Employee contributions	92	92
Actuarial (gains)/losses	(1,051)	(831)
Benefits paid	(127)	(245)
At 31 August 2018	11,673	11,976

Movements in the fair value of the Academy Trust's share of scheme assets:

	2018 £000	2017 £000
At 1 September 2017	6,305	5,139
Expected return on assets	155	111
Actuarial gains/(losses)	216	827
Employer contributions	383	389
Employee contributions	92	92
Benefits paid	(127)	(245)
Administration costs	(8)	(8)
At 31 August 2018	7,016	6,305

The estimated value of employer contributions for the year ended 31 August 2019 is £385,000

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

24. Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

During the period the Academy Trust made payments totalling £20,503 (2017: £370) to the Archdiocese of Liverpool (and companies controlled by the Archdiocese of Liverpool) and £nil (2017: £1,295) to the Diocese of Liverpool. These organisations are related to The Liverpool Joint Catholic and Church of England Academies Trust by virtue of their role as sponsors. Payments made in the year relate to support services received by the Academy Trust from the sponsors. No balances were outstanding at the year end (August 2017: £nil).

25. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the Trust received £60,000 and disbursed £104,000 from the fund. An amount of £32,00 is included in other creditors relating to undistributed funds that is repayable to ESFA.

The Academy Trust distributes Looked After Children funds to students as an agent for the Local Authority. In the accounting period ending 31 August 2018 the Trust received £31,200 and disbursed £54,000 from the fund. An amount of £54,000 is included in other creditors relating to undistributed funds that is repayable to the Local Authority.

The Academy Trust collects and distributes funds as an agent for the Liverpool School Sports Partnership. In the accounting period ending 31 August 2018 the Trust received £270,000 and disbursed £238,000 from the fund. An amount of £387,000 is included in other creditors relating to undistributed funds that is repayable to the Liverpool School Sports Partnership.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 24 October 2016 and further to the requirements of the Education and Skills Funding Agency (the 'ESFA') as included in the Academies: Accounts Direction 2017 to 18, we have carried out an engagement to obtain assurance about whether the expenditure disbursed and income received by The Liverpool Joint Catholic and Church of England Academies Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, [except for the matters listed below] nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the Academies: Accounts Direction 2017 to 18 Part 9: Regularity Reporting. We are independent of The Liverpool Joint Catholic and Church of England Academies Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion

Responsibilities of The Liverpool Joint Catholic and Church of England Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Liverpool Joint Catholic and Church of England Academies Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of The Liverpool Joint Catholic and Church of England Academies Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 2017 to 18.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST


We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2017 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion guidance in regularity' in Academies: Accounts Direction 2017 to 18.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to The Liverpool Joint Catholic and Church of England Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Liverpool Joint Catholic and Church of England Academies Trust and the 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 The Liverpool Joint Catholic and Church of England Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.



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