

Company Registration No. 07007398 (England and Wales)

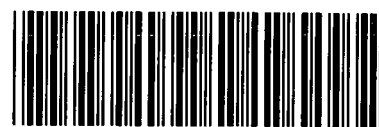
**THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES
TRUST**

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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COMPANIES HOUSE

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 (Chair - resigned 20 March 2021)

Mr A Scott (resigned 31 March 2021)

Fr Michael Fitzsimmons (appointed 1 September 2021)

Mr S Harrison (appointed 5 June 2020 and resigned 5 January
2021)

Mrs A Pontifex (appointed 1 June 2021)

Rev M McGurk (appointed 1 April 2021)

Directors

Mrs A Holden (Appointed 1 June 2021)

Mrs J McCall (Appointed 1 April 2021)

Lady E Hedley (Vice-Chair of the Local Governing Body at The
Academy of St Francis of Assisi) (Resigned 31 August 2021)

Mrs S Duffey (Appointed 14 September 2020)

Mr A Scott (Vice-Chair of the Trust Board) (Resigned 31 March
2021)

Mr T Warren (Archdiocese of Liverpool's Director of Schools and
Colleges) (Resigned 1 October 2020)

Rev S Haynes (Appointed 14 September 2020)

Mrs J Griffiths (Appointed 22 June 2021)

Mr B Marsh (Chair of the Trust Board) (Resigned 12 March 2021)

Mr S Harrison (Resigned 5 January 2021)

Mr M Elliott (Chair of the Trust Board)

Senior management team

- Chief Executive Officer

Mrs H Duggan (appointed 1 January 2021)

- Chief Executive Officer

Mr P Ferguson (resigned 31 August 2020)

- Chief Finance and Operations Officer

Mrs A Robb (appointed 12 April 2021)

- Head of School - The Academy of St
Francis of Assisi (Interim CEO 1 September
2020 - 31 December 2020)

Mr K Maddocks (appointed 1 September 2019)

- Deputy Headteacher - The Academy of St
Francis of Assisi

Mrs G Cosineau (resigned 31 May 2021)

- Senior Deputy Headteacher – The
Academy of St Francis of Assisi

Mrs C Singleton (appointed 1 May 2021)

- Deputy Headteacher – The Academy of St
Francis of Assisi

Mr C O'Doherty (appointed 1 September 2021)

- Head of School - The Academy of St
Nicholas

Mr D Lancaster (resigned 19 April 2020)

- Head of School - The Academy of St
Nicholas

Mrs J Sing (appointed 20 April 2020)

- Deputy Headteacher - The Academy of St
Nicholas

Mr M Tudor (resigned 19 April 2020)

- Senior Deputy Headteacher – The
Academy of St Nicholas

Mr G Lloyd (appointed 1 January 2021)

- Deputy Headteacher – The Academy of St
Nicholas

Mr A Robinson (appointed 1 January 2021)

Company registration number

07007398 (England and Wales)

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office
51 Horrocks Avenue
Garston
Liverpool
Merseyside
L19 5NY

Academies operated	Location
The Academy of St Nicholas	Liverpool
The Academy of St Francis of Assisi	Liverpool
The Liverpool Joint Catholic and Church of England Academies Trust	Liverpool

Principal
Mrs J Sing
Mr K Maddocks

Independent auditor
RSM UK Audit LLP
Bluebell House
Brian Johnson Way
Preston
Lancashire
PR2 5PE

Bankers
Lloyds Bank PLC
2-12 Lord Street
Liverpool
L2 1TS

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT

The directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates two schools for pupils aged 11 - 18 serving a catchment area in Liverpool. Its academies have a pupil capacity of 2,160 and had a roll of 1,681 in the school census in October 2020. All applications will be considered in line with the coordinated admissions scheme for Liverpool Local Authority and in accordance with the admission arrangements agreed between the Church of England Diocese of Liverpool and the Catholic Archdiocese of Liverpool.

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 charitable company is known as All Saints Multi Academy Trust.

The directors are the trustees 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. Details of the directors who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Directors' indemnities

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 directors

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 adopted for the induction and training of directors

All Directors are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. Given the number of director resignations and appointments during 2020/2021 academic year a full formal induction was provided to all new directors on 29 June 2021. A development day was also undertaken with all directors to review Aims and Objectives for the trust.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

Organisational structure

During the academic year 2020/21 the trust went through significant leadership change with a new Chief Executive officer appointed on 1 January 2021 and a new Chief Finance officer appointed on 12 April 2021. This was as a result of a financial notice to improve (fnti) which was issued to the trust on 3 December 2020, see financial review section below.

The management structure consists of two levels: Governance (being the Trust Board), and the Trust Leadership Group now comprising the Chief Executive Officer (who is also the Accounting Officer), Chief Finance and Operations 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 Trust board core functions are:

- Ensuring clarity of vision, ethos and strategic directions
- Holding the CEO to account for educational performance of the schools, their students, and the appraisal of its staff
- Overseeing the financial performance of the Trust and the schools within, ensuring financial probity.
- Ensuring that functions relating to the conduct of the Trust and schools are exercised with a view to safeguarding and promoting the welfare of children
- Establish its sub-committees and the appointment of non-trust board members based on skills need.

A revised scheme of delegation has been adopted which sets out the terms of reference for the members, directors, sub committees and local governing bodies.

The Trust Leadership Group controls the Academy Trust at an executive level implementing the policies laid down by the Directors 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.

The Trust central team provides support and guidance across a core set of functions which include Finance, Estates, HR, ICT, SEN, Attendance, Data management and Careers and Employability. This enables each Academy to focus on educational attainment.

Each Academy has a Senior Leadership team, led by the Headteacher, which includes a combination of Senior/ Deputy Headteacher and Assistant Headteachers. 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

During the academic year 2020/21 and with the major changes in trust leadership and director membership the Trust Remuneration Committee was dissolved into the Trust board due to capacity within the governance structure and the impact of COVID 19. The impact of COVID resulted in a change to how the trust governance meetings were held. Meetings were moved to online rather than face to face. The trust board did not delegate the responsibility for setting pay and remuneration for key management personnel. The Board 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. The Remuneration Committee has been re-established for the new academic year and decisions regarding progression will be made by the Remuneration Committee on an annual basis following the completion of the performance management cycle.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

Trade union facility time

Relevant union officials

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

-

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

8,764,000

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

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

-

Related parties, connected charities and co-operation with other 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 members of the Board of Directors (as noted above). The Sponsor supports the Academy Trust by working closely with the Trust Management Team and the Board of Directors 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 performance of the Academy Trust.

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 Directors 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 LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

The main objectives of the Academy Trust during the year ended 31 August 2021 are summarised below:

- to meet all the conditions of the financial notice to improve (fnti) which was issued to the Trust on 3 December 2020.
- 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, with a focus to online learning and support during the pandemic
- 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 the appointment of strong experienced leadership across the trust
- 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

Key performance indicators

Performance against objectives

Academic outcomes in the year 2020/21 were based on Teacher Assessed Grades (TAGs). These TAGs were introduced in response to wider school closures, linked to the COVID-19 response. The published outcomes of both academies improved when compared to the last set of nationally published outcomes in 2018/19. The systems in place to generate Teacher Assessed Grades were rigorous and each Headteacher followed the national guidelines. Academic outcomes were expected to improve due to the quality of the school improvement activities in both academies. Outcomes for the Academy of St Francis of Assisi were in line with average national outcomes, based on the last set of national outcomes available, and whilst the Academy of St Nicholas outcomes still fall below the national average, the Trust has completed a full analysis of progress of students across all year groups and concluded the following:

- Both schools showed further progress in narrowing the gap for disadvantaged students bringing them closer to be in line with national other students.
- At The Academy of St Francis of Assisi overall Progress 8 as measured against 2019 outcomes within line with national average at 0.
- For the Academy of St. Nicholas overall Progress 8 arrived at -0.51 which is in line with the national floor target. This was an improvement of +0.46 from 2019 Outcomes.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

- At the Academy of St. Nicholas, the English P8 has shown consistent improvement over the past three years (from -1.4 to -0.73)
- At the Academy of St Nicholas Post 16 performance was once again above national outcomes, based on the 2018/19 published national outcomes, with an L3VA +0.59.

The Trust ability to offer leisure and recreational facilities to the wider community was impacted this year due to Covid-19 lockdowns and local restrictions. In effect all activities stopped from March 2020 onwards to follow Covid-19 rules. Although money generated from these activities is minimal the impact on the wider community is unknown.

Ofsted Section 5 Inspection

The Academy of St Francis of Assisi was subject to a full inspection in December 2018. Inspectors judged that the Academy was good in all areas.

The Academy of St Nicholas was subject to a full inspection in May 2019. Inspectors judged that the Academy still requires improvement overall, Inspectors reported that 16-19 study programmes were Good.

Financial review

Financial objectives

The main strategies for improvement consist of:

- to meet all the conditions of the Fnti as quickly and as efficiently as possible
- to achieve an annual operating surplus, reviewing impact of the deficit recovery plan.
- to review levels of trading income during Covid 19 and assessing the financial risk due to loss of income
- to ensure the Academy Trust's continued liquidity.
- to generate sufficient reserves to fund continued capital investment.

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

The majority of the Academy Trusts 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.

Income for the year exceeded expenditure by £525,000 (2020: expenditure exceeded income by £127,000) after providing for depreciation and loss on disposal of fixed assets totalling £842,000 (2020: £836,000). The net income/(expenditure) generated before providing for depreciation was £1,367,000 (2020: £709,000). Whilst the fixed costs of the Academy Trust staffing, building maintenance and IT maintenance represent the majority of the Academy Trusts 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 2021 the net book value of fixed assets was £33,979,000 (2020: £33,858,000) and movement in tangible assets are shown in note 14 to the financial statements. The Academy Trust held fund balance at 31 August 2021 of £27,212,000 (2020: £26,409,000) comprising £33,979,000 (2020: £34,463,000) of restricted fixed asset funds and £949,000 (2020: £861,000) of unrestricted funds, offset by a pension scheme liability totalling £8,407,000 (2020: £8,335,000) and a surplus of £691,000 (2020: deficit £580,000) on restricted general funds.

Following the implementation of a deficit recovery plan in 2019/20 and 2020/21 and in the wake of the financial notice of improvement the trust has significantly improved its financial position with an overall surplus of £27,212,000. This has been achieved due to strong financial management, rising pupil numbers across both schools and better allocation of resources. Both restricted and unrestricted funds have seen an increase compared to previous years. The fund balances are adequate to fulfil the obligations of the Academy Trust and allow the Trust to invest in ICT infrastructure whilst also providing a balance against most unforeseen future events.

Although the trust has significantly improved its financial position on going plans are in place to continue to raise student numbers in particular within the 16-19 provision. The trust is implementing integrated financial planning to support effective use of resources demonstrating value for money and improving outcomes for all students.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

Due to the ongoing Covid-19 pandemic the we have taken steps to address the uncertainty of the costs the Trust may face going forward. We have set aside funds for any costs that may arise and have taken advantage of any government grants that are available. We have strict controls in place to restrict spending to ensure that we are getting value for money across the trust and taking advantage of any government purchasing tenders and frameworks.

The trust has a cash balance of £2,104,000 (2020: £1,010,000), the movement in the year being the cash generated from operations less fixed asset expenditure. Based upon the cash balance as at 31 August 2021 the trust has sufficient cash reserves to meet its liabilities as they fall due.

Financial risk management objectives and policies

The Directors assess the major risks to which the charitable company is exposed at each trust meeting, in particular those relating to teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Directors have implemented a number of systems to assess risks that the Academy Trust faces, especially in the operational areas (e.g. in relation to Cyber security, health and safety, governance) and in relation to the control of finance. They have introduced systems, including operational procedures, reviewing governance and the membership of the trust board and associated sub committees and internal financial controls in order to minimise risk. Where significant financial risk 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 six times per annum 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.

Financial notice to improve (fnti)

A fnti was issued to the trust on 3 December 2020, due to an extensive number of breaches of the Academies Financial Handbook. The financial notice to improve is available on the EFSA's website: <https://www.gov.uk/government/publications/financial-notice-to-improve-the-liverpool-joint-catholic-and-church-of-england-academies-trust>

The fnti had 16 conditions with one of the conditions to appoint a Chief Financial officer who is appropriately qualified and experienced, this was done on 12 April 2021. The fnti in the main was to review all financial policies and procedures and implement effective processes to ensure clear lines of accountability and segregation of duties.

The trust received a letter on 4 June 2021 stating the fnti had been lifted with one outstanding condition still to be met which was to adopt the latest model funding agreement and Articles of Association. This is work in progress with the trust's legal advisors who are currently reviewing the deed of variation and we continue to work closely with the ESFA to resolve this final condition.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

Reserves policy

The reserve policy of the Trust is to carry forward a prudent level of revenue reserves designed to meet its short-term cash flow needs, whilst also managing the longer-term cyclical needs of planning, and any capital investment that may be required. The policy is subject to the constraint that the level of reserves does not exceed the level permitted by the ESFA within the Academies Trust Handbook; currently there are no limits imposed by the ESFA.

Constituent Academies will maintain operational reserves of no more than 2% with strategic reserves being held centrally by the Trust. As of 31st August 2021 the level of reserves held by the trust is £1.3m. This has increased significantly compared to previous year due to efficiency savings, pupil growth and the impact of the pandemic. Savings have been achieved from non-salary expenditure from key areas such as repair and maintenance, administration costs and supply cover. The current level of reserve is within the reserve policy threshold; however, the directors have agreed £0.400m ICT investment to be funded from reserves for the academic year 2021/22.

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. Directors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of funds.

Directors' 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, Directors may consider the investment of these funds in order to generate a longer-term income or capital fund. The approval of full trust board is required before any investment is made.

Going concern

The directors assess whether the use of going concern is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The directors have made this assessment by preparing both detailed cashflow forecasts until 31 August 2022 and high level forecasts to 31 August 2026 to allow them to conclude that the academy trust has adequate resources to continue in operational existence for at least the next 12 months from the date of signing the financial statements 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 LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

Plans for future periods

The main objectives for the coming year are to:

- Improve progress made by all students ensuring the very best quality 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 school leadership, including within all subjects.
- Increase the pace of improvement with regards attendance and punctuality to diminish the difference more rapidly 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.
- Ensure each academy responds robustly to the demands of COVID-19 to ensure no child falls behind as a result of the pandemic.
- Effective use of pupil premium, recovery premium and catch-up funding, in line with the EEF guide to use evidence to inform decision making.
- Develop a People strategy to 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 and increasing the effectiveness of governance at all levels.
- Review sixth form provision and the long-term viability, ensuring it remains a going concern.
- Implement a marketing strategy to promote the trust and support pupil growth.
- 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.

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 and the government agenda around small academies.
- 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.
- The continued development of the Covid-19 pandemic.
- Going concern of the sixth form provision.

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
- Continued development of IT infrastructure to enable better resources for both staff and students.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

DIRECTORS' REPORT (CONTINUED)

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. This initiative was severely impeded by COVID 19 with minimal income generated from hiring of facilities due to the conditions set out by the government in relation to the pandemic. When possible 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 2021 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.

FUNDS HELD AS 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.

AUDITOR

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

Statement as to disclosure of information to auditor

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

The directors' report is approved by order of the board of directors and the strategic report (included therein) is approved by the board of directors in their capacity as the directors at a meeting on9/12/21..... and signed on its behalf by:



Mr M Elliott

Chair of the Trust Board

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.

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

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 Directors any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	Meetings attended	Out of possible
Mr T Warren (Archdiocese of Liverpool's Director of Schools and Colleges) (Resigned 1 October 2020)	1	1
Mr B Marsh (Chair of the Trust Board)	4	4
Mr M Elliot (appointed Chair of the Trust Board 25th March 2021)	7	7
Lady E Hedley (Vice-Chair of the Local Governing Body at The Academy of St Francis of Assisi)	5	7
Mr A Scott (Vice-Chair of the Trust Board)	5	5
Mrs S Duffey (Appointed 14 September 2020)	4	7
Mr S Harrison (Appointed 5 June 2020)	1	2
Rev S Haynes (Appointed 14 September 2020)	6	7
Mrs J McCall (Appointed 1 April 2021)	3	3
Mrs A Holden (Appointed 1 June 2021)	1	1
Mrs J Griffiths (Appointed 22 June 2021)	0	1

Due to the impact of Covid-19 there have been practical challenges in terms of board governance and our ability to meet on a regular basis. Where possible the board have met virtually in line with government guidance.

The board met 6 times last year but assurance is also sought through the Finance and business committee which meets up to 6 times per year. All key documentation, reports and minutes are shared to all directors electronically via governor hub ensuring efficient oversight and contact with all directors.

Governance reviews

Given the financial notice to improve, it provided an opportunity for the board of Directors to review a number of key policies and procedures in the year to evaluate their effectiveness and has conducted an external review of governance alongside a full skills audit. A full action plan was put in place to respond to the financial notice to improve with all but one condition being met. The outstanding condition is underway and is currently with the trust legal advisors. 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 LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

The Finance and Business Committee (whose remit covers Audit compliance) is a sub-committee of the Trust Board. Its purpose is:

- monitoring the integrity of the financial statements
- reviewing internal financial controls and reviewing the company's internal control and risk management systems
- monitoring and reviewing the effectiveness of the internal control reviews, which are undertaken by a third party provider
- 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

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr B Marsh (Chair of the Trust Board) (resigned 20 March 2021)	2	6
Mr M Elliot (Chair of the Finance and Business Committee)	6	6
Lady E Hedley (Vice-Chair of the Local Governing Body at The Academy of St Francis of Assisi) (resigned 31 August 2021)	2	6
Mr A Scott (Vice-Chair of the Trust Board) (resigned 31 March 2021)	2	6
Mrs Jan McCall (appointed 1st March 2021)	3	6

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 especially during the pandemic, and reports to the board of directors 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 and implementing integrated financial planning 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, service level agreements, administration costs and changing purchasing practices accordingly.
- Utilising the opportunities for economies of scale offered by the Trust arrangement to reduce costs.
- Conducting an external review with a DfE school management resource advisor. A plan has been put in place and recommendations actioned.
- Alignment of financial processes delivering on efficiencies

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 2021 and up to the date of approval of the annual report and financial statements.

The trust has approved in line with the Academy trust handbook and the ESFA's internal scrutiny good practice guide a detailed schedule reviewing both financial and non-financial areas on a quarterly basis. All reviews will be undertaken by the third-party provider.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Directors 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 Directors 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 ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is reviewed by the Board of Directors at each board meeting.

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 monthly financial reports which are reviewed and agreed by the board of directors;
- regular reviews by the Trust Board and the Finance and Business Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint HBD Accountancy Services LLP as an internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems; these included:

- reviewing the trust's governance including a check of publicly available information on the trust's website;
- reviewing compliance with and progress on the resolution of the fnti;
- reviewing the internal controls surrounding payroll adjustments provided to the external payroll provider;
- reviewing the controls surrounding authorisation of purchases;
- reviewing the bank reconciliations and the process surrounding their review/approval.

Once in each term the internal 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 internal 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 internal auditor
- the work of the external auditor;
- the financial management and governance school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

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 board of directors on 9/12/21 and signed on its behalf by:



Mr M Elliott
Chair of the Trust Board

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

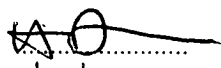
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Liverpool Joint Catholic and Church of England Academies Trust, I have considered my responsibility to notify the academy trust board of directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust's board of directors 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 2020.

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 directors and ESFA.

Accounting Officer


9/12/21

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who also act as trustees for The Liverpool Joint Catholic and Church of England Academies Trust) are responsible for preparing the directors' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under company law, the directors 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 directors 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 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 directors 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 directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The directors 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 directors on 9/12/21 and signed on its behalf by:



Mr M Elliott
Chair of the Trust Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

Opinion

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 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 2020 to 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2020 to 2021 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

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

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

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

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 directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Directors' 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 Directors' Report or the Strategic Report included within the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 17, the directors, who also act as trustees for the charitable activities of The Liverpool Joint Catholic and Church of England Academies Trust, 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 directors 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 directors 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 directors 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST (CONTINUED)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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 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

Lancashire, PR2 5PE

22/12/21

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Donations and capital grants	4	-	21	412	433	694
Charitable activities:						
- Funding for educational operations	5	-	12,280	-	12,280	11,158
Other trading activities	6	88	111	-	199	159
Investments	7	-	-	-	-	1
Total		<u>88</u>	<u>12,412</u>	<u>412</u>	<u>12,912</u>	<u>12,012</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	-	11,545	842	12,387	12,139
Total	8	<u>-</u>	<u>11,545</u>	<u>842</u>	<u>12,387</u>	<u>12,139</u>
Net income/(expenditure)		88	867	(430)	525	(127)
Transfers between funds	19	-	(40)	(54)	(94)	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit obligations	27	-	372	-	372	(81)
Net movement in funds		88	1,199	(484)	803	(208)
Reconciliation of funds						
Total funds brought forward		861	(8,915)	34,463	26,409	26,617
Total funds carried forward		<u>949</u>	<u>(7,716)</u>	<u>33,979</u>	<u>27,212</u>	<u>26,409</u>

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021	2020
	Notes	£'000	£'000
Fixed assets			
Tangible assets	14	33,979	33,858
Current assets			
Debtors	15	759	1,105
Cash at bank and in hand		2,104	1,010
		2,863	2,115
Current liabilities			
Creditors: amounts falling due within one year	16	(1,088)	(1,164)
Net current assets		1,775	951
Total assets less current liabilities		35,754	34,809
Creditors: amounts falling due after more than one year	17	(135)	(65)
Net assets before defined benefit pension scheme liability		35,619	34,744
Defined benefit pension scheme liability	27	(8,407)	(8,335)
Total net assets		27,212	26,409
Funds of the academy trust:			
Restricted funds	19		
- Restricted fixed asset funds		33,979	34,463
- Restricted income funds		691	(580)
- Pension reserve		(8,407)	(8,335)
Total restricted funds		26,263	25,548
Unrestricted income funds	19	949	861
Total funds		27,212	26,409

The financial statements on pages 21 to 46 were approved by the board of directors and authorised for issue on 31/12/21 and are signed on their behalf by:



Mr M Elliott
Chair of the Trust Board

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	24		1,645		(165)
Cash flows from investing activities					
Dividends, interest and rents from investments		-		1	
Capital grants from DfE Group		412		621	
Purchase of tangible fixed assets		(963)		(16)	
Net cash (used in)/provided by investing activities			(551)		606
Net increase in cash and cash equivalents in the reporting period			1,094		441
Cash and cash equivalents at beginning of the year			1,010		569
Cash and cash equivalents at end of the year			2,104		1,010

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

General information

The Liverpool Joint Catholic and Church of England Academies Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the directors' report.

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

Basis of preparation

The financial statements of the academy trust 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 financial statements 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The academy trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

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

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

Going concern

The directors assess whether the use of going concern is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The directors have made this assessment by preparing both detailed cashflow forecasts until 31 August 2022 and high level forecasts to 31 August 2026 to allow them to conclude that the academy trust has adequate resources to continue in operational existence for at least the next 12 months from the date of signing the financial statements 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.

Income

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

Grants

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

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

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

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

Donations

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

Other income

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold and leasehold buildings	2%
Computer equipment	25% or 33.33%
Fixtures, fittings and equipment	10% or 20%

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.

Liabilities

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

Leased assets

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

Financial instruments

The academy trust has chosen to adopt Sections 11 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the academy trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

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.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder 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 (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

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 the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The trust can use 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 29.

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.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2021 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2021.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Capital grants	-	412	412	621
Other donations	-	21	21	73
	<u>-</u>	<u>433</u>	<u>433</u>	<u>694</u>

The income from donations and capital grants was £433,000 (2020: £694,000) of which £21,000 was restricted (2020: £73,000) and £412,000 was restricted fixed assets (2020: £621,000).

5 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	10,665	10,665	9,702
Other DfE / ESFA grants:				
- Pupil premium	-	876	876	888
- Teachers pay/pension grant	-	278	278	417
- Others	-	245	245	94
	<u>-</u>	<u>12,064</u>	<u>12,064</u>	<u>11,101</u>
COVID-19 additional funding (DfE / ESFA)				
Catch-up premium		216	216	-
	<u></u>	<u>216</u>	<u>216</u>	<u></u>
COVID-19 additional funding (non-DfE / ESFA)				
Coronavirus exceptional support	-	-	-	57
	<u>-</u>	<u>-</u>	<u>-</u>	<u>57</u>

The income from funding for educational operations was £12,280,000 (2020: £11,158,000) of which £nil was unrestricted (2020: £57,000) and £12,280,000 was restricted (2020: £11,101,000).

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

5 Funding for the academy trust's educational operations (Continued)

In the prior year, the academy trust was eligible to claim additional funding from government support schemes in response to the coronavirus outbreak. The funding received for coronavirus exceptional support in the prior year which covered additional costs incurred was £57,000. This is shown above under exceptional government funding.

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

The academy received £215,731 (2020: £nil) of funding for catch-up premium and costs incurred in respect of this funding totalled £176,892 (2020: £nil), with the remaining £38,839 (2020: £nil) to be spent in 2021/22.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Pupil Premium and Teachers Pay/Pension Grants are no longer reported within the Other DfE, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

6 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	1	-	1	4
Catering income	-	111	111	126
Music tuition	87	-	87	29
	<u>88</u>	<u>111</u>	<u>199</u>	<u>159</u>

The income from other trading activities was £199,000 (2020: £159,000) of which £88,000 was unrestricted (2020: £33,000) and £111,000 was restricted (2020: £126,000).

7 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Other investment income	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>

The income from funding for investment income was £nil (2020: £1,000) of which £nil was unrestricted (2020: £1,000).

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

8 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2021 £'000	Total 2020 £'000
Academy's educational operations					
- Direct costs	7,294	842	663	8,799	8,537
- Allocated support costs	1,694	945	949	3,588	3,602
	<u>8,988</u>	<u>1,787</u>	<u>1,612</u>	<u>12,387</u>	<u>12,139</u>

Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Operating lease rentals	72	58
Depreciation of tangible fixed assets	842	836
Net interest on defined benefit pension liability	146	134
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	18	17
- Other services	4	3
	<u>72</u>	<u>58</u>

9 Charitable activities

	2021 £'000	2020 £'000
All from restricted funds:		
Direct costs		
Educational operations	8,799	8,537
Support costs		
Educational operations	3,588	3,602
	<u>12,387</u>	<u>12,139</u>

The expenditure on charitable activities was £12,387,000 (2020: £12,139,000) of which £11,545,000 was restricted (2020: £11,303,000) and £842,000 was restricted fixed assets (2020: £836,000).

	2021 £'000	2020 £'000
Analysis of support costs		
Support staff costs	1,663	1,793
Technology costs	125	129
Premises costs	945	955
Legal costs	338	265
Other support costs	479	434
Governance costs	38	26
	<u>3,588</u>	<u>3,602</u>

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	6,423	6,346
Social security costs	648	625
Pension costs	1,693	1,585
Staff costs - employees	8,764	8,556
Agency staff costs	224	152
Staff restructuring costs	-	43
	8,988	8,751
Staff development and other staff costs	46	53
Total staff expenditure	9,034	8,804
Staff restructuring costs comprise:		
Redundancy payments	-	15
Severance payments	-	28
	-	43

In the prior year, staff restructuring costs included a redundancy payment of £15,000 paid to an individual on 8 January 2020. Total severance payments of £28,162 were paid in the prior year to two individuals for the amounts of £3,162 and £25,000 on 20 September 2020.

Staff numbers

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

	2021 Number	2020 Number
Teachers	86	136
Administration and support	111	95
Management	10	43
	207	274

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff (Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2021 Number	2020 Number
Teachers	82	90
Administration and support	91	81
Management	10	9
	<u>183</u>	<u>180</u>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	7	4
£70,001 - £80,000	4	1
£80,001 - £90,000	-	2
£90,001 - £100,000	2	1
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

Key management personnel

The key management personnel of the academy trust comprise the directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £437,883 (2020: £509,936).

11 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- others as arising.

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

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

11 Central services (Continued)

The amounts charged during the year were as follows:	2021	2020
	£'000	£'000
The Academy of St Nicholas	348	392
The Academy of St Francis of Assisi	354	392
The Liverpool Joint Catholic and Church of England Academies Trust	-	-
	<u>702</u>	<u>784</u>

12 Directors' remuneration and expenses

One or more of the directors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff directors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as directors.

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

Patrick Ferguson (Chief Executive Officer - resigned 31 August 2020);

- Remuneration £Nil (2020: £91,667)
- Pension £Nil (2020: £Nil)

During the period ended 31 August 2021, £Nil (2020: £Nil) of travel and subsistence expenses were reimbursed to trustees. Other related party transactions including the trustees are set out in note 28.

13 Directors and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect directors 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. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

14 Tangible fixed assets

	Freehold and leasehold buildings £'000	Computer equipment £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 September 2020	38,807	1,463	1,649	41,919
Additions	603	317	43	963
At 31 August 2021	39,410	1,780	1,692	42,882
Depreciation				
At 1 September 2020	5,057	1,450	1,554	8,061
Charge for the year	784	6	52	842
At 31 August 2021	5,841	1,456	1,606	8,903
Net book value				
At 31 August 2021	33,569	324	86	33,979
At 31 August 2020	33,750	13	95	33,858

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.

15 Debtors

	2021 £'000	2020 £'000
Trade debtors	192	113
VAT recoverable	185	27
Other debtors	2	9
Prepayments and accrued income	380	956
	759	1,105

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	202	246
Other taxation and social security	173	156
ESFA creditors	24	13
Other creditors	536	586
Accruals and deferred income (see note 18)	153	163
	<u>1,088</u>	<u>1,164</u>

17 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
ESFA creditors	<u>135</u>	<u>65</u>
Due in more than one year but not more than two years	24	13
Due in more than two years but not more than five years	<u>111</u>	<u>52</u>
	<u>135</u>	<u>65</u>

No interest is charged on the balance due over five years.

18 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	<u>33</u>	<u>38</u>
Deferred income at 1 September 2020	38	39
Released from previous years	(38)	(39)
Resources deferred in the year	<u>33</u>	<u>38</u>
Deferred income at 31 August 2021	<u>33</u>	<u>38</u>

At the balance sheet date, the Academy Trust was holding funds received in advance for rates relief.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	(580)	10,665	(9,393)	(40)	652
Other DfE / ESFA grants:					
- Pupil premium	-	876	(876)	-	-
- Teachers pay/pension grant	-	278	(278)	-	-
- Others	-	245	(245)	-	-
Catch-up premium	-	216	(177)	-	39
Other restricted funds	-	132	(132)	-	-
Pension reserve	(8,335)	-	(444)	372	(8,407)
	<u>(8,915)</u>	<u>12,412</u>	<u>(11,545)</u>	<u>332</u>	<u>(7,716)</u>
Restricted fixed asset funds					
DfE group capital grants	14,479	412	(354)	(54)	14,483
Capital expenditure from GAG	306	-	(7)	-	299
Sponsorship funded	19,678	-	(481)	-	19,197
	<u>34,463</u>	<u>412</u>	<u>(842)</u>	<u>(54)</u>	<u>33,979</u>
Total restricted funds	<u>25,548</u>	<u>12,824</u>	<u>(12,387)</u>	<u>278</u>	<u>26,263</u>
Unrestricted funds					
General funds	861	88	-	-	949
	<u>861</u>	<u>88</u>	<u>-</u>	<u>-</u>	<u>949</u>
Total funds	<u>26,409</u>	<u>12,912</u>	<u>(12,387)</u>	<u>278</u>	<u>27,212</u>

The specific purposes for which the 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 of 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.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds (Continued)

Funds prior year

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	(1,029)	9,702	(9,253)	-	(580)
Other DfE / ESFA grants:					
- Universal infant free school meals	-	-	-	-	-
- Pupil premium	-	888	(888)	-	-
- Teachers pay/pension grant	-	417	(417)	-	-
- Others	-	94	(94)	-	-
Other restricted funds	-	199	(199)	-	-
Pension reserve	(7,802)	-	(452)	(81)	(8,335)
	<u>(8,831)</u>	<u>11,300</u>	<u>(11,303)</u>	<u>(81)</u>	<u>(8,915)</u>
Restricted fixed asset funds					
DfE group capital grants	14,123	621	(265)	-	14,479
Capital expenditure from GAG	314	-	(8)	-	306
Sponsorship funded	20,241	-	(563)	-	19,678
	<u>34,678</u>	<u>621</u>	<u>(836)</u>	<u>-</u>	<u>34,463</u>
Total restricted funds	<u>25,847</u>	<u>11,921</u>	<u>(12,139)</u>	<u>(81)</u>	<u>25,548</u>
Unrestricted funds					
General funds	<u>770</u>	<u>91</u>	<u>-</u>	<u>-</u>	<u>861</u>
Total funds	<u>26,617</u>	<u>12,012</u>	<u>(12,139)</u>	<u>(81)</u>	<u>26,409</u>

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Funds (Continued)

Total funds analysis by academy

	2021 £'000	2020 £'000
Fund balances at 31 August 2021 were allocated as follows:		
The Academy of St Nicholas	(26)	(831)
The Academy of St Francis of Assisi	1,666	1,112
The Liverpool Joint Catholic and Church of England Academies Trust	-	-
Total before fixed assets fund and pension reserve	1,640	281
Restricted fixed asset fund	33,979	34,463
Pension reserve	(8,407)	(8,335)
Total funds	27,212	26,409

The Academy of St Nicholas has been carrying a net deficit on these funds for a number of years, 2021: £26,000 deficit, (2020: £831,000 deficit). The trust has reduced the deficit significantly in comparison to the previous year. Going forward the trust will use GAG pooling, has implemented a reserves policy and will be monitoring closely that the academy works within agreed budgets.

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
The Academy of St Nicholas	3,567	787	325	996	5,675	5,613
The Academy of St Francis of Assisi	3,765	914	385	805	5,869	5,238
The Liverpool Joint Catholic and Church of England Academies Trust	-	-	-	-	-	-
	7,332	1,701	710	1,801	11,544	10,851

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	33,979	33,979
Current assets	1,003	1,860	-	2,863
Creditors falling due within one year	(11)	(1,077)	-	(1,088)
Creditors falling due after one year	(43)	(92)	-	(135)
Defined benefit pension liability	-	(8,407)	-	(8,407)
Total net assets	949	(7,716)	33,979	27,212
	Unrestricted Funds	Restricted funds:		Total Funds
	£'000	General £'000	Fixed asset £'000	£'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	33,858	33,858
Current assets	861	649	605	2,115
Creditors falling due within one year	-	(1,164)	-	(1,164)
Creditors falling due after one year	-	(65)	-	(65)
Defined benefit pension liability	-	(8,335)	-	(8,335)
Total net assets	861	(8,915)	34,463	26,409

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 service 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.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

22 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the financial statements	465	12

23 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	51	57
Amounts due between one and five years	11	62
	62	119

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

	2021 £'000	2020 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	431	(127)
Adjusted for:		
Capital grants from DfE and other capital income	(412)	(621)
Interest receivable	-	(1)
Pension costs less contributions payable	298	318
Pension scheme finance costs	146	134
Depreciation of tangible fixed assets	842	836
Movements in working capital:		
Decrease/(increase) in debtors	346	(623)
(Decrease) in creditors	(6)	(81)
Net cash provided by/(used in) operating activities	1,645	(165)

25 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	1,010	1,094	2,104

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

26 Members' liability

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

27 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 latest actuarial valuation of the TPS related to the period ended 31 March 2016, and of the LGPS 31 March 2019.

Contributions amounting to £149,000 were payable to the schemes at 31 August 2021 (2020: £133,000) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out below the information available on the scheme.

Valuation of the Teachers' Pension Scheme

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

The valuation report was published in 5 March 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations (Continued)

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2019/20).

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

The employer's pension costs paid to the TPS in the period amounted to £881,000 (2020: £828,000).

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 2021 was £611,000 (2020: £530,000), of which employer's contributions totalled £486,000 (2020: £421,000) and employees' contributions totalled £125,000 (2020: £109,000). The agreed contribution rates for future years are 16.9% per cent for employers and 5.5 - 12.5% for employees.

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

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	486	421
Employees' contributions	125	109
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Total contributions	611	530
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Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2021 by a qualified independent actuary.

	2021 %	2020 %
Rate of increase in salaries	4.2	3.9
Rate of increase for pensions in payment/inflation	2.8	2.5
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.7	2.4
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THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations (Continued)

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

	2021 Years	2020 Years
Retiring today		
- Males	21.0	20.9
- Females	24.1	24.0
Retiring in 20 years		
- Males	22.6	22.5
- Females	26.0	25.9

The academy trust's share of the assets in the scheme

	2021 Fair value £'000	2020 Fair value £'000
Equities	5,202	3,943
Government Bonds	142	202
Other Bonds	1,195	1,118
Cash/equity	182	437
Property	961	729
Other assets	2,439	1,668
Total fair value of assets	10,121	8,097

The actual return on scheme assets was £1,556,000 (2020: £109,000).

Amount recognised in the statement of financial activities

	2021 £'000	2020 £'000
Current service cost	774	692
Net interest cost	146	134
Past service cost	-	38
Administration expenses	10	9
Total operating charge	930	873

The past service cost of £Nil (2020: £38,000) recognised in the year relates to the effect of the McCloud judgement regarding age discrimination in respect of public service pensions.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

27 Pension and similar obligations (Continued)

Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	16,432	15,519
Current service cost	774	692
Past service cost	-	38
Interest cost	296	276
Employee contributions	125	109
Actuarial loss	1,034	48
Benefits paid	(133)	(250)
At 31 August 2021	18,528	16,432
Changes in the fair value of the academy trust's share of scheme assets	2021 £'000	2020 £'000
At 1 September 2020	8,097	7,717
Interest income	150	142
Return on plan assets (excluding net interest on the net defined pension liability)	1,406	(33)
Employer contributions	486	421
Employee contributions	125	109
Benefits paid	(133)	(250)
Administration expenses	(10)	(9)
At 31 August 2021	10,121	8,097

28 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from the local public and private sector organisations, it is inevitable that all 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 £25,066 (2020: £13,905) to the Archdiocese of Liverpool (and companies controlled by the Archdiocese of Liverpool); £nil (2020: £5,920) to the Diocese of Liverpool, and £3,202 (2020: £3,202) to Liverpool Tuneside Limited, the company of the Archdiocese 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.

During the year, the Academy Trust made purchases of £nil (2020: £28,329) from Newton Academy Trust where Patrick Ferguson was also CEO.

THE LIVERPOOL JOINT CATHOLIC AND CHURCH OF ENGLAND ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

29 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021, the Trust received £67,900 (2020: £48,500) and disbursed £48,100 (2020: £79,800) from the fund. An amount of £16,800 is included in other creditors (2020: £3,000 other debtors) relating to undistributed funds that are repayable to the 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 2021, the Trust received £32,300 (2020: £25,100) and disbursed £73,200 (2020: £17,000) from the fund. An amount of £29,900 (2020: £70,800) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

The Academy Trust collects and distributes funds as an agent for the Liverpool School Sports Partnership. In the accounting period ending 31 August 2021, the Trust received £210,300 (2020: £180,200) and disbursed £217,200 (2020: £246,000) from the fund. An amount of £336,700 (2020: £343,600) is included in other creditors relating to undistributed funds that are repayable to the Liverpool School Sports Partnership.