
SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

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SALVATORIAN COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr J McAleer The Revd H Nevin The Revd F Waters The Revd R Mway Zeng
Directors (Trustees):	Mr A Bryant Mr D Clarke (appointed 1 September 2020) Mr E Dempsey Ms Z Hosseini Milani (appointed 13 December 2020) Mrs F Karanja The Rev'd M Lainez Mr J McAleer, (Chair) Ms F Memon (appointed 13 December 2020) Mrs F Moffatt Mr P O'Connell Mrs B O'Reilly Mrs M Reynolds Mr P Sefton-Williams Mr M Tissot, Principal, Accounting Officer
Company registered number	08134861
Company name	Salvatorian College
Principal and registered office	High Road Harrow Middlesex HA3 5DY
Company secretary	Mr B Fowler
Senior management team	Mr M Tissot, Executive Headteacher (Principal) Mr A Bryant, Head of School Mr A Coker, Deputy headteacher Mr D Cooper, Assistant headteacher Mr D Evans, Assistant headteacher
Independent auditors	Landau Baker Limited Chartered Accountants Statutory Auditor Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Lloyds Bank PLC 25 Gresham Street London EC2V 7HN

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

SALVATORIAN COLLEGE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The directors (trustees) present their annual report together with the financial statements and auditor's report of the charitable company for the 12 month period 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 an academy for pupils aged 11-16 in the London Borough of Harrow. It has a pupil capacity of 687 and had a roll of 471 in the school census on 1 October 2021.

The trust entered into a partnership agreement with the Cardinal Hume Academies Trust (CHAT) in September 2017. The partnership is based on a Memorandum of Understanding. Under the agreement, the Cardinal Hume Academies Trust agreed to support Salvatorian College through: provision of an Acting Executive Headteacher (the Principal); provision of a Head of School; support with governance.

Structure, Governance and Management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The directors of Salvatorian College Limited (the academy trust) are also the trustees of the charitable company for the purposes of company law. The charitable company operates as Salvatorian College.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on the preceding pages of this document.

b. Members' Liability

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

c. Trustees' Indemnities

In accordance with the Articles of Association, and subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

d. Method of Recruitment and Appointment or Election of Trustees

The initial members of the academy trust are the subscribers to the Memorandum of Association, who are the people described below in (2)-(5).

Subsequent members of the academy trust comprise:

1. 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
2. the chairman of Governors;
3. the Provincial Superior of the Society of the Divine Saviour;
4. 2 representatives appointed by the Provincial Superior of the Society of the Divine Saviour; and
5. any person appointed under Article 16 of the Articles of Association.

The day-to-day management of Salvatorian College is the responsibility of the directors (also known as governors) who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

1. the Principal (Executive Headteacher)

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

2. up to 11 foundation governors, appointed by the Provincial Superior of the Society of the Divine Saviour
3. up to 5 parent governors, appointed by the trustees
4. up to 3 co-opted governors, appointed by the foundation governors
5. staff governors, provided that the number of staff governors does not exceed one third of the total number of governors
6. any governors appointed by the Secretary of State for Education

The term of office for any director is 4 years, save that this time limit does not apply to either the principal or a staff director. The principal's term of office runs parallel with his term of appointment. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

e. Policies and Procedures Adopted for the Induction and Training of Trustees

Directors are provided with Salvatorian College's Governance Handbook, which includes essential documentation needed to undertake their role, including the Memorandum and Articles of Association, Academy Trust Handbook, Governance Handbook, and Salvatorian College's Funding Agreement.

Trustees are given an induction which includes information on:

- the structure of the Academy and the relationship with the board of trustees;
- the values expected to be upheld by trustees;
- key elements of effective governance and the link to the Ofsted inspection framework;
- the committee structure of the board;
- a description of the role of the Chair of trustees and of the clerk, who also acts as company secretary;
- terms of reference of the board and sub-committees.

An annual skills audit informs training needs of directors. The board is provided with training in-house and through courses provided by the Diocese of Westminster Education Service, Cardinal Hume Academies Trust and the National Governance Association, amongst others.

f. Organisational Structure

The board of directors of Salvatorian College is constituted under the Memorandum and Articles of Association. The board is responsible for ensuring high educational, financial, and corporate governance standards are maintained.

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the directors, who are responsible for ensuring that high educational, financial and corporate governance standards are maintained; and the executive, who are the senior leadership team responsible for the day-to-day running of the academy.

The directors have established a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

Directors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Principal (executive headteacher) is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

The Principal (executive headteacher) assumes the accounting officer role.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

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

Salvatorian College operates a robust Pay Policy which sets out the framework for making decisions on staff pay. It has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD). The objective of the policy is to:

- ensure that pay and staffing arrangements enable the current and future delivery of the curriculum and the academy's improvement plan;
- support the recruitment and retention of high quality staff;
- recognise and reward staff for their contribution to academy improvement;
- ensure that pay decisions are made in a fair and transparent way; and
- ensure that budgetary funds are allocated appropriately.

Remuneration awards in the year are subject to the key management personnel demonstrating sustained high quality performance, as indicated by the extent to which objectives defined in his/her annual performance management appraisal have been met. A discretionary time-limited pay award for key personnel who have reached the top of their relevant pay range may be awarded. The Principal ensures that all pay recommendations are presented to the pay committee. The Principal's pay is reviewed by the strategic board of the Cardinal Hume Academies Trust, and the chair of directors of Salvatorian College is invited to participate in these reviews as an observer.

h. Related Parties and Other Connected Charities and Organisations

The academy operates on land owned by the Society of the Divine Saviour. Use of the land for the purposes of education is set out in the Supplemental Agreement dated 1 August 2012 between the Secretary of State for Education, the Trustees of the Society of the Divine Saviour, and Salvatorian College.

The academy is part of a soft federation with the Cardinal Hume Academies Trust and both organisations are led by the Executive Head Teacher (Principal).

Salvatorian College has a strong working relationship with the Cardinal Hume Academies Trust. This relationship is defined through the Memorandum of Understanding that the Trust and the Cardinal Hume Academies Trust. The Cardinal Hume Academies Trust is a company limited by guarantee and an exempt charity.

The Deo Duce Foundation was registered as a Charitable Incorporated Organisation in England in Wales with the Charities Commission on 5 February 2020. The charities objects do not name Salvatorian College, but in practice a significant portion of its grant making in the year to 31 August 2021 was to Salvatorian College. Mr E Dempsey, a Director of Salvatorian College, is also a Trustee of the Deo Duce Foundation. Mr B Fowler, School Business Manager of Salvatorian College, is also a Trustee of the Deo Duce Foundation.

Objectives and Activities

a. Objects and Aims

The academy's objectives are set out in the governing document (Articles of Association), and are specifically limited to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a Catholic school designed as such ("the academy") which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law applying thereto including any trust deed governing the use of land used by the Academy both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Society of the Divine Saviour.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

b. Objectives, Strategies and Activities

The key objectives of Salvatorian College, and those towards which activities were directed during the year ended 31 August 2021 were to:

- ensure all aspects of the Covid-19 risk assessment are implemented;
- ensure 'even better' pupil behaviour around the school;
- ensure the school is ready for an Ofsted inspection;
- sustain progress scores and reach a minimum of +0.7;
- ensure development of online teaching;
- ensure the gap between the disadvantaged and non-disadvantaged pupils does not re-appear, with 'catch-up' funding well spent and weighted towards the disadvantaged;
- be ready for an external RE review on academic standards, Catholic life, and the teaching of RE;
- ensure rigorous marketing of the school and stronger connections with feeder primaries;
- ensure all departments have complied detailed schemes of work that are in accordance with Ofsted criteria;
- develop the 'curriculum wall' outlining the whole-school curriculum;
- embed a love of reading through the literacy programme;
- tighten procedures on homework setting and its completion;
- create a prayerful and spiritual Catholic environment, strengthening the Salvatorian charism of the school;
- plan and implement efficient accommodation provision in the timetable;
- update the school Ofsted self-evaluation form;
- conduct room risk assessments;
- organise a whole-school review of standards; and to
- ensure the school is ready for rapid Covid-19 testing of staff and pupils, and online teaching provision should it be required.

c. Public Benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Providing education to all registered pupils;
- Raising money for local, national and international charities;
- Hosting community events free of charge;
- Curriculum support for primary schools;
- Distributing food parcels to the community during the Covid-19 pandemic

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

Strategic Report

Achievements and Performance

Key Performance Indicators

	2021*	2020*	2019	2018	2017	2016	2015	2014	2013
Progress 8	+0.8	+0.5	+0.48	+0.6	-0.08	+0.14	-	-	-
Attainment 8	56	56.3	53.5	55.5	48.5	56.23	-	-	-
English & Maths (Grade 4+)	73%	88%	75%	78%	67%	78%	66%	71%	-
English 9-4 (A*-C) Progress 8	84% +1.01	87% +0.91	90% +0.73	94% +0.94	70% +0.07	93% +0.51	71%	76%	74%
Maths 9-4 (A*-C) Progress 8	78% +0.32	90% +0.48	76% +0.35	81% +0.27	72% -0.23	79% 0.00	74%	79%	74%
English Baccalaureate (5+)	29%	32%	37%	50%	29%	41%	34%	32%	39%
Ebacc P8 Open element P8	+0.71 +1.05	+0.43 +0.32	+0.51 +0.21	+0.73 +0.48	-0.32 +0.16	-0.08 +0.28	- -	- -	- -
5A*-C inc English and maths	70%	85%	72%	74%	70%	75%	59%	63%	52%

* Centre-assessed grade

Public examinations were cancelled in 2021, owing to the Coronavirus (Covid-19) pandemic. Exam results this year were therefore 'centre assessed'. Furthermore, grades were statistically moderated by the exam boards. The 2021 results are therefore not very accurate comparators. Despite this, the directors of Salvatorian College were pleased the results reflected sustained performance, and continued the improvement trajectory of the school.

Safeguarding

The Trust is absolutely committed to ensuring the safeguarding, protection and welfare of pupils. Senior managers have undertaken Level 3 safeguarding training as well as training on Peer-to-Peer abuse and Harmful Sexual Behaviours. The Trust is moving to a computerised system across (CPOMS) to better record and analyse safeguarding issues.

a. Going Concern

After making appropriate enquiries, including giving due consideration to the impact of the Coronavirus (Covid-19) pandemic, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report (continued)

Achievements and Performance (continued)

b. Financial Review

The majority of Salvatorian College's income is derived from the Education and Skills Funding Agency (ESFA), an agency of the Department for Education (DfE), in the form of recurrent grants, the use of which is restricted to specific purposes. The grants received from the ESFA during the 12-month period ended 31 August 2021, and the associated expenditure, are shown as restricted funds in the Statement of financial activities.

During the year ended 31 August 2021, Salvatorian College had net expenditure of £357,587 excluding actuarial gains on defined benefit pension schemes. In comparison, for the year ended 31 August 2020: net expenditure was £374,965, excluding actuarial losses on defined benefit pension schemes. At 31 August 2021, the academy had net current assets of £189,383 and total net assets of £6,574,967 (2020: £95,781 and £7,041,554 respectively)

The academy trust was issued with a Financial Notice to Improve (FNtI) on 27 January 2016. On 16 February 2021, the ESFA lifted the FNtI, citing the implementation of an effective recovery plan to eliminate the financial deficit as evidence that the conditions of the FNtI had been met.

Financial review

a. Reserves Policy

Total reserves at the end of the period amounted to £6,574,967 (2020: £7,041,554). This balance includes unrestricted funds of £209,880 (2020: £164,964), and restricted funds of £6,365,087 (2020: £6,876,590), which includes restricted fixed asset funds of £8,665,171 (2020: £8,848,026) and a pension deficit of £1,714,000 (2020: £1,531,000).

The Governing Body have determined that the appropriate level of free reserves should be a sum equivalent to one month's payroll, approximately £200k at the time of writing. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

b. Investment Policy

Directors' investment powers are set down in the academy trust's Memorandum and Articles of Association. These permit the investment of monies of the academy trust which are not immediately required. Investment policies are determined by the Trust Board. The academy trust pursues a policy to keep all investments surplus to funds required in short term cash deposits. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk.

At 31 August 2021, no investments were held.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

c. Principal Risks and Uncertainties

The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The directors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2021. 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.

Fundraising

The academy trust engages in limited fundraising activities throughout the academic year, both for specific projects and to augment the annual education budget.

Due consideration is given at all times to ensuring that no fundraising practices are unreasonably intrusive or apply undue pressure especially with regard to vulnerable persons.

Plans for Future Periods

The focus of the academy trust in future periods is as follows:

- To ensure higher expectations for homework setting
- To focus on pupils' concentration and recall
- To ensure all staff are clear about what makes a good lesson.
- To ensure the curriculum and standards would secure an Ofsted Outstanding judgement / Outstanding S48
- To achieve a Progress 8 score of at least +0.7
- To ensure the curriculum is reviewed and delivered so that over 80% of pupils meet clearly defined endpoints;
- To ensure the curriculum is broad, ambitious, inclusive, culturally connected, enriching; that it contains cultural capital, builds incrementally, is carefully and logically sequenced, equates to British values and ensures pupils are prepared for life in modern Britain.
- To ensure that we have outstanding pupil behaviour, raising expectations incrementally, with pupils treating each other respectfully.
- To ensure safeguarding is outstanding, and pupils report confidence in the school, with very low incidences of bullying/harassment.
- To ensure the Catholic ethos of the school is enhanced, such that it is highly valued by pupils, staff and parents.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Funds Held as Custodian Trustee on Behalf of Others

Neither the academy trust nor any of its directors act as custodian trustees.

Disclosure of information to auditors

Insofar as the trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 15 December 2021 and signed on its behalf by:



Mr J McAleer
Chair of Directors

SALVATORIAN COLLEGE
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GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Salvatorian College 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 trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Principal Executive Headteacher 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 Salvatorian College and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The board of trustees has formally met 4 times during the year to 31 August 2021. The board considers it maintains effective oversight of funds with four meetings as a majority of Directors serve on both of the two board sub-committees.

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

Directors	Meetings attended	Out of a possible
Mr A Bryant	3	4
Mr D Clarke	3	3
Mr E Dempsey	4	4
Ms Z Hosseini Milani	2	2
Mrs F Karanja	4	4
The Rev'd M Lainez	3	4
Mr J McAleer, (Chair)	3	4
Ms F Memon	2	2
Mrs F Moffatt	4	4
Mr P O'Connell	4	4
Mrs B O'Reilly	4	4
Mrs M Reynolds	3	4
Mr P Sefton-Williams	4	4
Mr M Tissot, Principal, Accounting Officer	4	4

Directors undertook a governance self-evaluation using the format provided by the Diocese of Westminster. Directors also undertook a skills audit as part of the annual review and development of directors' skills

Resources & HR Committee

The Resources, HR & Audit Committee is a sub-committee of the main board of directors. Its purpose is to scrutinise and support the work of the Accounting Officer and Chief Financial Officer, and to ensure that the Academy is following the ESFA's financial regulations.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Directors	Meetings attended	Out of a possible
Mr A Bryant	3	3
Mr D Clarke	3	3
Mr E Dempsey	3	3
Mrs F Karanja	3	3
The Rev'd M Lainez	0	2
Mr J McAleer	3	3
Mr P O'Connell	3	3
Mrs M Reynolds	0	3
Mr M Tissot	2	3

Pupil Welfare, Ethos, Admissions & School Improvement Committee

The Pupil Welfare, Ethos, Admissions & School Improvement Committee is a sub-committee of the main board of directors. Its purpose is to scrutinise and support the work of the executive (Senior Management Team) to ensure that the Academy is delivering high quality education whilst in a safe environment which is conducive to learning and in line with the school's Catholic ethos.

Attendance during the year at meetings was as follows:

Directors	Meetings attended	Out of a possible
Mr A Bryant	3	3
Ms Z Hosseini Milani	2	2
The Rev'd M Lainez	2	2
Mr J McAleer	3	3
Ms F Memon	2	2
Mrs S Moffatt	3	3
Mr P O'Connell	3	3
Mrs B O'Reilly	3	3
Mrs M Reynolds	1	3
Mr P Sefton-Williams	3	3

Review of Value for Money

As accounting officer, the Principal (Executive Headteacher) 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.

As accounting officer, the Principal (executive headteacher) 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 academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- reviewing the curriculum and staffing model to ensure maximal efficiency;
- ensuring that contracts where possible are negotiated centrally by the Cardinal Hume Academies Trust to realise efficiencies of scale;

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GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money (continued)

- negotiating gift-in-kind and direct financial support from the Cardinal Hume Academies Trust;
- reviewing contracts to achieve better value for money.

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 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 Salvatorian College for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of directors has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Resources, HR & Audit 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; and
- identification and management of risks.

The board of trustees has decided to contract the services of Buzzacott as internal auditor.

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

- Budget review
- Governance review
- Pupil Premium review

On a termly basis, the internal auditor reports to the board of directors through the Resources, HR & Audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

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GOVERNANCE STATEMENT (CONTINUED)

Review of Effectiveness

As accounting officer, the Principal 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 auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources, HR & Audit committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 15 December 2021 and signed on their behalf by:



Mr J McAleer
Chair of Trustees



Mr M Tissot
Accounting Officer

SALVATORIAN COLLEGE
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Salvatorian College I have considered my responsibility to notify the Academy board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy 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 board of trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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 trustees and ESFA.



Martin Tissot
Accounting Officer
Date: 15 December 2021

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 15 December 2021 and signed on its behalf by:



Mr J McAleer
Chair of Directors

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SALVATORIAN COLLEGE**

Opinion

We have audited the financial statements of Salvatorian College (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 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 Academy'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 trustees' 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 Academy'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 trustees with respect to going concern are described in the relevant sections of this report.

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SALVATORIAN COLLEGE (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The trustees 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SALVATORIAN COLLEGE (CONTINUED)**

Auditors' 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 Auditors' 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.

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SALVATORIAN COLLEGE (CONTINUED)**

Use of our report

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

Carly Pinkus (Senior Statutory Auditor)



FOR LANDAU BAKER LIMITED

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditor

Mountcliff House
154 Brent Street
London
NW4 2DR

15 December 2021

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
SALVATORIAN COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 May 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Salvatorian College during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Salvatorian College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Salvatorian College's funding agreement with the Secretary of State for Education dated 1 August 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and verification of evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Review of the Academy Trust's internal control procedures, specifically in respect to regularity, propriety and compliance.
- Focused testing, driven by our audit of the financial statements, principally checking that:
 - *Grant income received has been expensed on prescribed expenditure; and
 - *Expenditure has been appropriately authorised in accordance with the procedures outlined in the Academy Trust's financial procedures manual.
- Discussions and written representations from the Accounting Officer and other key management personnel (where applicable).

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
SALVATORIAN COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditor

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 15 December 2021

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	30,069	-	10,303	40,372	69,739
Charitable activities	4	-	2,867,126	-	2,867,126	2,485,773
Other trading activities	5	16,315	60,648	-	76,963	114,202
Investments	6	32	-	-	32	127
Total income		46,416	2,927,774	10,303	2,984,493	2,669,841
Expenditure on:						
Charitable activities	8	1,500	3,147,422	193,158	3,342,080	3,044,806
Total expenditure		1,500	3,147,422	193,158	3,342,080	3,044,806
Net movement in funds before other recognised gains/(losses)		44,916	(219,648)	(182,855)	(357,587)	(374,965)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(109,000)	-	(109,000)	44,000
Net movement in funds		44,916	(328,648)	(182,855)	(466,587)	(330,965)
Reconciliation of funds:						
Total funds brought forward		164,964	(1,971,436)	8,848,026	7,041,554	7,372,519
Net movement in funds		44,916	(328,648)	(182,855)	(466,587)	(330,965)
Total funds carried forward		209,880	(2,300,084)	8,665,171	6,574,967	7,041,554

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

The notes on pages 26 to 48 form part of these financial statements.

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08134861

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	8,591,159	8,759,824
		8,591,159	8,759,824
Current assets			
Debtors	15	83,702	153,700
Cash at bank and in hand		427,633	78,897
		511,335	232,597
Creditors: amounts falling due within one year	16	(321,952)	(136,816)
Net current assets		189,383	95,781
Total assets less current liabilities		8,780,542	8,855,605
Creditors: amounts falling due after more than one year	17	(491,575)	(283,051)
Net assets excluding pension liability		8,288,967	8,572,554
Defined benefit pension scheme liability	25	(1,714,000)	(1,531,000)
Total net assets		6,574,967	7,041,554
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	8,665,171	8,848,026
Restricted income funds	18	(586,084)	(440,436)
		8,079,087	8,407,590
Restricted funds excluding pension asset	18	8,079,087	8,407,590
Pension reserve	18	(1,714,000)	(1,531,000)
Total restricted funds	18	6,365,087	6,876,590
Unrestricted income funds	18	209,880	164,964
Total funds		6,574,967	7,041,554

The financial statements on pages 23 to 48 were approved by the trustees, and authorised for issue on 15 December 2021 and are signed on their behalf, by:



John McAleer
Chair of Directors

The notes on pages 26 to 48 form part of these financial statements.

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	154,370	<i>(230,187)</i>
Cash flows from investing activities			
	22	(14,158)	<i>(1,830)</i>
Cash flows from financing activities			
	21	208,524	-
Change in cash and cash equivalents in the year		348,736	<i>(232,017)</i>
Cash and cash equivalents at the beginning of the year		78,897	<i>310,914</i>
Cash and cash equivalents at the end of the year	23, 24	427,633	<i>78,897</i>

The notes on pages 26 to 48 form part of these financial statements

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

• **Donations**

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

• **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Land and buildings	- 30 years
Furniture and equipment	- 5 years
Computer equipment	- 3 years

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

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 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 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.

1.9 Pensions

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

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

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

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.9 Pensions (continued)

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

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

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

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

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

1.10 Fund accounting

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

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

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

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

SALVATORIAN COLLEGE
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 25, 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. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	30,069	-	30,069	11,605
Capital Grants	-	10,303	10,303	58,134
	<u>30,069</u>	<u>10,303</u>	<u>40,372</u>	<u>69,739</u>
<i>Total 2020</i>	<u>11,605</u>	<u>58,134</u>	<u>69,739</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy's educational activities

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	2,357,875	2,357,875	2,218,303
Other DfE/ESFA grants			
Pupil premium	81,542	81,542	73,164
Others	184,043	184,043	122,974
	<hr/>	<hr/>	<hr/>
	-	2,623,460	2,414,441
Other Government grants			
Local Authority Grants	82,262	82,262	71,332
	<hr/>	<hr/>	<hr/>
	82,262	82,262	71,332
Other income from the Academy's educational activities	70,296	70,296	-
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	32,480	32,480	-
Other DfE/ESFA COVID-19 funding	58,628	58,628	-
	<hr/>	<hr/>	<hr/>
	91,108	91,108	-
	<hr/>	<hr/>	<hr/>
	2,867,126	2,867,126	2,485,773
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2020</i>	2,485,773	2,485,773	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £32,480 of funding for catch-up premium and costs incurred in respect of catch up tuition and resources exceeded this amount, leaving £nil to be spent in 2021/22.

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestrict ed funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	4,768	-	4,768	2,391
Other income	11,317	9,155	20,472	40,969
Music income	-	-	-	50
Catering income	-	51,493	51,493	58,645
Trips income	230	-	230	12,147
	<u>16,315</u>	<u>60,648</u>	<u>76,963</u>	<u>114,202</u>
<i>Total 2020</i>	<u>24,277</u>	<u>89,925</u>	<u>114,202</u>	

6. Investment income

	Unrestrict ed funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	32	32	127
	<u>32</u>	<u>32</u>	<u>127</u>
<i>Total 2020</i>	<u>127</u>	<u>127</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	<i>Total 2020 £</i>
Educational activities:					
Direct costs	2,087,555	-	194,225	2,281,780	1,927,861
Allocated support costs	410,212	182,625	467,463	1,060,300	1,116,945
	<u>2,497,767</u>	<u>182,625</u>	<u>661,688</u>	<u>3,342,080</u>	<u>3,044,806</u>
<i>Total 2020</i>	<u><u>2,309,001</u></u>	<u><u>177,584</u></u>	<u><u>558,221</u></u>	<u><u>3,044,806</u></u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestrict ed funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Educational activities	1,500	3,340,580	3,342,080	3,044,806
	<u>16,165</u>	<u>3,028,641</u>	<u>3,044,806</u>	
<i>Total 2020</i>	<u><u>16,165</u></u>	<u><u>3,028,641</u></u>	<u><u>3,044,806</u></u>	

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Educational activities	2,281,780	1,060,300	3,342,080	3,044,806
<i>Total 2020</i>	<u>1,927,861</u>	<u>1,116,945</u>	<u>3,044,806</u>	

Analysis of direct costs

	Educational activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	2,035,353	2,035,353	1,685,516
Technology costs	46,094	46,094	51,582
Staff development and training	4,878	4,878	2,269
Examination fees	38,384	38,384	28,169
Other staff costs	1,417	1,417	930
Educational supplies	64,773	64,773	21,243
Teaching supply costs	52,202	52,202	122,336
Educational consultancy	38,679	38,679	15,816
	<u>2,281,780</u>	<u>2,281,780</u>	<u>1,927,861</u>
<i>Total 2020</i>	<u>1,927,861</u>	<u>1,927,861</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Pension finance cost	26,000	26,000	28,000
Staff costs	353,426	353,426	436,453
Depreciation	193,158	193,158	188,474
Other support costs	42,495	42,495	24,636
Repairs and maintenance	43,255	43,255	12,078
Rates	30,896	30,896	54,185
Energy costs	52,692	52,692	41,016
Insurance	9,722	9,722	6,552
Cleaning	46,060	46,060	35,584
Security and transport	3,483	3,483	2,716
School trips	1,300	1,300	16,165
Catering	92,348	92,348	77,512
Support staff supply costs	8,786	8,786	63,696
Non-educational contracts	929	929	4,276
Other supplies and services	61,333	61,333	83,715
Other professional fees	34,693	34,693	33,887
Governance costs	11,724	11,724	7,000
Non cash pension costs	48,000	48,000	1,000
	1,060,300	1,060,300	1,116,945
	1,116,945	1,116,945	
<i>Total 2020</i>	<i>1,116,945</i>	<i>1,116,945</i>	

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have both been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

SALVATORIAN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021	<i>2020</i>
	£	£
Depreciation of tangible fixed assets	193,158	188,474
Fees paid to auditors for:		
- audit	4,750	4,750
- other services	6,355	2,250
	=====	=====

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	<i>2020</i>
	£	£
Wages and salaries	1,974,375	1,639,084
Social security costs	128,339	98,651
Pension costs	286,065	215,622
	=====	=====
	2,388,779	1,953,357
Agency staff costs	60,988	186,032
Staff restructuring costs	-	168,612
Non cash pension costs	48,000	1,000
	=====	=====
	2,497,767	2,309,001

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have both been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

Staff restructuring costs comprise:

	2021	<i>2020</i>
	£	£
Redundancy payments	-	168,612
	=====	=====
	-	168,612

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

11. Staff (continued)

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	28	27
Administration and support	23	23
Management	4	4
	55	54

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	3	1
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	2	-
	2	-

d. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £415,000 (2020 £328,504).

12. Trustees' remuneration and expenses

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

		2021	2020
		£	£
A Bryant	Remuneration	100,000 -	95,000 -
		105,000	100,000
	Pension contributions paid	15,000 -	15,000 -
		20,000	20,000

During the year ended 31 August 2021, no trustee expenses have been incurred (2020 - £NIL).

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

13. Trustees' and Officers' insurance

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

14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	8,800,000	87,926	253,061	17,000	9,157,987
Additions	-	17,150	7,343	-	24,493
At 31 August 2021	<u>8,800,000</u>	<u>105,076</u>	<u>260,404</u>	<u>17,000</u>	<u>9,182,480</u>
Depreciation					
At 1 September 2020	146,667	52,483	182,013	17,000	398,163
Charge for the year	146,667	9,233	37,258	-	193,158
At 31 August 2021	<u>293,334</u>	<u>61,716</u>	<u>219,271</u>	<u>17,000</u>	<u>591,321</u>
Net book value					
At 31 August 2021	<u>8,506,666</u>	<u>43,360</u>	<u>41,133</u>	<u>-</u>	<u>8,591,159</u>
At 31 August 2020	<u>8,653,333</u>	<u>35,443</u>	<u>71,048</u>	<u>-</u>	<u>8,759,824</u>

15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	5,989	750
Other debtors	15,788	116,523
Prepayments and accrued income	61,925	36,427
	<u>83,702</u>	<u>153,700</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	156,682	24,756
Other taxation and social security	63,005	49,454
Other creditors	7,869	-
Accruals and deferred income	94,396	62,606
	321,952	136,816
	321,952	136,816
	2021 £	2020 £
Deferred income at 1 September 2020	14,010	11,390
Resources deferred during the year	41,393	14,010
Amounts released from previous periods	(14,010)	(11,390)
	41,393	14,010
	41,393	14,010

At the balance sheet date the academy trust was holding funds received in advance for trips income.

17. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	491,575	283,051
	491,575	283,051

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

18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds					
General Funds - all funds	164,964	46,416	(1,500)	-	209,880
Restricted general funds					
GAG	(440,436)	2,357,875	(2,474,134)	-	(556,695)
Pupil premium	-	81,542	(81,542)	-	-
Other DfE/ESFA funding	-	184,043	(184,043)	-	-
Local authority grants	-	82,262	(82,262)	-	-
Catch-up premium	-	32,480	(32,480)	-	-
Other DfE/ESFA COVID-19 funding	-	58,628	(58,628)	-	-
General funds	-	130,944	(160,333)	-	(29,389)
Pension reserve	(1,531,000)	-	(74,000)	(109,000)	(1,714,000)
	<u>(1,971,436)</u>	<u>2,927,774</u>	<u>(3,147,422)</u>	<u>(109,000)</u>	<u>(2,300,084)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	8,848,026	10,303	(193,158)	-	8,665,171
Total Restricted funds	<u>6,876,590</u>	<u>2,938,077</u>	<u>(3,340,580)</u>	<u>(109,000)</u>	<u>6,365,087</u>
Total funds	<u><u>7,041,554</u></u>	<u><u>2,984,493</u></u>	<u><u>(3,342,080)</u></u>	<u><u>(109,000)</u></u>	<u><u>6,574,967</u></u>

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

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges.

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

18. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds					
General Funds - all funds	145,120	36,009	(16,165)	-	164,964
Restricted general funds					
GAG	(204,967)	2,218,303	(2,453,772)	-	(440,436)
Pupil premium	-	73,164	(73,164)	-	-
Other DfE/ESFA funding	-	122,974	(122,974)	-	-
Local authority grants	-	71,332	(71,332)	-	-
General funds	-	89,925	(89,925)	-	-
Pension reserve	(1,546,000)	-	(29,000)	44,000	(1,531,000)
	<u>(1,750,967)</u>	<u>2,575,698</u>	<u>(2,840,167)</u>	<u>44,000</u>	<u>(1,971,436)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	8,978,366	58,134	(188,474)	-	8,848,026
Total Restricted funds	<u>7,227,399</u>	<u>2,633,832</u>	<u>(3,028,641)</u>	<u>44,000</u>	<u>6,876,590</u>
Total funds	<u><u>7,372,519</u></u>	<u><u>2,669,841</u></u>	<u><u>(3,044,806)</u></u>	<u><u>44,000</u></u>	<u><u>7,041,554</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestrict ed funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	8,591,159	8,591,159
Current assets	209,880	227,443	74,012	511,335
Creditors due within one year	-	(321,952)	-	(321,952)
Creditors due in more than one year	-	(491,575)	-	(491,575)
Provisions for liabilities and charges	-	(1,714,000)	-	(1,714,000)
Total	209,880	(2,300,084)	8,665,171	6,574,967

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	8,759,824	8,759,824
Current assets	164,964	(20,569)	88,202	232,597
Creditors due within one year	-	(136,816)	-	(136,816)
Creditors due in more than one year	-	(283,051)	-	(283,051)
Provisions for liabilities and charges	-	(1,531,000)	-	(1,531,000)
Total	164,964	(1,971,436)	8,848,026	7,041,554

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NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(357,587)	(374,965)
Adjustments for:		
Depreciation	193,158	188,474
Capital grants from DfE and other capital income	(10,303)	(58,134)
Interest receivable	(32)	(127)
Defined benefit pension scheme cost less contributions payable	48,000	1,000
Defined benefit pension scheme finance cost	26,000	28,000
Decrease/(increase) in debtors	69,998	(103,436)
Increase in creditors	185,136	89,001
Net cash provided by/(used in) operating activities	154,370	(230,187)

21. Cash flows from financing activities

	2021 £	2020 £
Cash inflows from new borrowing	208,524	-
Net cash provided by financing activities	208,524	-

22. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	32	127
Purchase of tangible fixed assets	(24,493)	(60,091)
Capital grants from DfE Group	10,303	58,134
Net cash used in investing activities	(14,158)	(1,830)

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	427,633	78,897
Total cash and cash equivalents	427,633	78,897

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

24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	78,897	348,736	427,633
Debt due after 1 year	(283,051)	(208,524)	(491,575)
	<u>(204,154)</u>	<u>140,212</u>	<u>(63,942)</u>

25. Pension commitments

The Academy'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 London Borough of Harrow. 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 August 2021.

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

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £180,771 (2020 - £145,334).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £122,000 (2020 - £173,000), of which employer's contributions totalled £102,000 (2020 - £157,000) and employees' contributions totalled £ 20,000 (2020 - £16,000). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 1.9 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Principal actuarial assumptions

London Borough of Harrow Pension Fund

	2021	<i>2020</i>
	%	%
Rate of increase in salaries	3.60	3.00
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.70
	<u><u> </u></u>	<u><u> </u></u>

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

	2021	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	22.2	22.0
Females	24.6	24.3
<i>Retiring in 20 years</i>		
Males	23.5	23.1
Females	26.9	26.3
	<u><u> </u></u>	<u><u> </u></u>

Share of scheme assets

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

	2021	<i>2020</i>
	£	£
Equities	2,405,350	2,106,720
Bonds	494,250	355,680
Property	263,600	191,520
Cash	131,800	82,080
Total market value of assets	<u><u>3,295,000</u></u>	<u><u><i>2,736,000</i></u></u>

The actual return on scheme assets was £20,000 (*2020 - £15,000*).

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

	2021	<i>2020</i>
	£	£
Current service cost	(150,000)	(112,000)
Past service cost	-	(46,000)
Interest income	47,000	48,000
Interest cost	(73,000)	(76,000)
Total amount recognised in the Statement of Financial Activities	<u><u>(176,000)</u></u>	<u><u><i>(186,000)</i></u></u>

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25. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	4,267,000	4,186,000
Current service cost	150,000	112,000
Interest cost	73,000	76,000
Employee contributions	20,000	16,000
Actuarial losses/(gains)	568,000	(77,000)
Benefits paid	(69,000)	(92,000)
Past service costs	-	46,000
At 31 August	5,009,000	4,267,000

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

	2021 £	2020 £
At 1 September	2,736,000	2,640,000
Interest income	47,000	48,000
Actuarial gains/(losses)	459,000	(33,000)
Employer contributions	102,000	157,000
Employee contributions	20,000	16,000
Benefits paid	(69,000)	(92,000)
At 31 August	3,295,000	2,736,000

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 in accordance with the Articles of Association, for the debts and liabilities contracted before he/she ceases to be a member.

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27. Related party transactions

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

Staff are seconded for Salvatorian College by the Cardinal Hume Academies Trust. These transactions were undertaken "at cost", with the pro-rata salary costs of the staff seconded to Salvatorian College being recharged, in full, to Salvatorian College. The total value of this during the year ended 31 August 2021 was £713,830 (2020: £636,240).

In addition to the above, the services of the Executive Headteacher, Martin Tissot, are treated as a "gift in kind" provided free of charge under the Memorandum of Understanding. The equivalent value of his services to Salvatorian College for the financial year ended 31 August 2021 equated to £57,896 (2020: £56,472). Certain staff members employed by Cardinal Hume Academies Trust were "gifted" to the Trust under the same Memorandum of Understanding, the total value of which amounted to £141,587 (2020: £189,658). The Cardinal Hume Academies Trust also made a cash grant of £40,000 (2020: £nil) to fund an investment educational facilities.