

Company Registration No. 07693743 (England and Wales)

SACRED HEART OF MARY GIRLS' SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

SACRED HEART OF MARY GIRLS' SCHOOL

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SACRED HEART OF MARY GIRLS' SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Brentwood Diocesan Trust Representative
Bishop A Williams SM
Mrs V Davin

Governors

Mrs T Knight
Mr M Heavey
Mr M Earley
Mrs H Ward
Mr P McAuliffe
Mrs K Jones
Miss A Holman
Mr M O'Riordan
Sister R Lenehan
Mr D Leech
Mr S Hartley
Mrs M Devlin (Resigned 14 October 2021)
Mrs B Gopal
Mrs V Davin (Chair of Governors)
Mr J Crispin
Mr L Johnston
Mr P Kennedy
Ms V T Qurrey (Accounting Officer) (Appointed 1 September 2020)
Mr R Hoggett (Appointed 1 December 2021)

Senior leadership team

- Headteacher Ms V Qurrey (appointed 1 September 2020)
- Assistant Headteacher Mr T Bright
- Assistant Headteacher Miss B McConville
- Assistant Headteacher Mrs O Munday
- Assistant Headteacher Mrs C Raper
- Business Manager Mrs K Jones

Company secretary

Mr S Beck

Company registration number

07693743 (England and Wales)

Registered office

St Mary's Lane
Upminster
Essex
RM14 2QR
United Kingdom

Independent auditor

Azets Audit Services
1 Nelson Street
Southend-On-Sea
Essex
SS1 1EG
United Kingdom

SACRED HEART OF MARY GIRLS' SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
21 - 25 Station Lane
Town Centre
Hornchurch
Essex
RM12 6JL
United Kingdom

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
United Kingdom

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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

The trust operates as an academy for girls aged 11 to 18 serving the Diocese of Brentwood in general and almost all of the Catholic Deanery of Havering in particular. It has a pupil capacity of 796 and had a roll of 825 at the Summer Term 2021 School Census taken in May 2021.

Structure, governance and management

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.

Sacred Heart of Mary Girls' School was incorporated on 5th July 2011 and obtained Academy Status from 1st August 2011.

The charitable company is known as Sacred Heart of Mary Girls' School.

The Governors are the trustees of Sacred Heart Of Mary Girls' School and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Method of recruitment and appointment or election of Governors

The members of the Academy Trust shall comprise no less than three persons: the Bishop of Brentwood; the Chairman of Governors; and, a Representative of the Brentwood Diocesan Trust.

The number of governors shall be at least twenty one. The first governors shall be those named in the initial Memorandum. The Governing Body shall be constituted as follows: eleven Foundation Governors (appointed by the Bishop of Brentwood); three Staff Governors (two of whom are to be elected/appointed by the Staff, the other to be the Headteacher); four Parent Governors (to be elected/appointed by parents/carers of pupils on roll at the School, in the first instance); one Member Governor (to be appointed by the Academy Trust); and two Co-opted Governors (to be appointed by the Governing Body).

Each of the persons entitled to appoint governors above shall have the right, from time to time by written notice delivered to the office, to remove any governor appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any governor shall be four years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected.

It is the responsibility of the School's trustees, the Diocese of Brentwood, to identify and appoint Member and Foundation Governors when a vacancy occurs. Prospective candidates for Member and Foundation Governor vacancies are required to complete a Skills Audit as devised by the Catholic Education Service. Teacher, Staff and Parent Governors are elected and are appointed following an advertisement (including any identified gaps in coverage identified in an annual skills audit undertaken by all Governors), nomination and election process administered by the Clerk to the Governors.

All Governors are given access to and are encouraged to attend appropriate in-house and external training.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and procedures adopted for the induction and training of Governors

Senior Leadership Pay Policy

The School has a Performance Appraisal and Pay Policy in place which incorporates the arrangements for determining pay for all members of the Senior Leadership Team. The Governing Body has adopted the national pay scales and pay ranges for Leadership Team members.

During the period under review, the governors held six full governing body meetings. The training and induction provided for new governors will depend on their existing experience. All new governors will be given a tour of the School and the chance to meet with staff and pupils. All relevant governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need in order to undertake their role as governors. As there are normally only one or two new governors each year, induction tends to be done informally and is tailored specifically to the individual. However, during the course of the past year, the Governing Body has subscribed to Key Governor which provides online content that all governors have access to for reference and training purposes and it has Gold membership of the National Governors' Association. Additionally, governors have access to the bespoke training programme offered by the Diocese of Brentwood. A full Governing Body Skills Audit is conducted and analysed annually.

Organisational structure

The organisational structure consists of three levels: the Governing Body, the Senior Leadership Team and the Middle Leadership Team (Subject Leaders and Pupil Development Coordinators). The aim of the leadership structure is to devolve responsibility and encourage involvement in and ownership of decision making at all levels.

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

During the Academic Year 2020 to 2021, the Senior Leadership Team comprised: the Headteacher and five senior leaders. These managers control the School at an executive level, implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, through recruitment panels which sometimes include a governor. Some spending control is devolved to Middle Leaders, with limits above which a Senior Leader must countersign or authorise.

The Senior Leadership Team and Middle Leaders are responsible for the day to day operation of the school, in particular organising the teaching staff, support staff, facilities and pupils.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	0.08

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	4,502
Total pay bill	4,502,000
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Related parties and other connected charities and organisations

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

Crusaider First Aid is a related party as is Mrs S Williams, a teacher at the School, who is the daughter of one of the Foundation Governors.

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Sacred Heart of Mary Girls' School to provide Catholic education for pupils of different abilities between the ages of 11 and 18.

In accordance with the Articles of Association, the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the School and the catchment area from which the pupils are drawn.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The main objectives of the School during the period ended 31st August 2021 are summarised below:

- to provide a caring, disciplined and stable environment in which teaching and learning can take place, and in which each pupil is respected as a unique person with God-given gifts, qualities and particular needs;
- to enable pupils to achieve their potential in academic studies, and to assist their intellectual, spiritual, moral, cultural, aesthetic, emotional and physical development in preparation for adult life and family responsibilities;
- to help pupils develop respect, tolerance and concern for others, an appreciation of the complexity of the world around them and its cultural diversity, and to become responsible citizens;
- to create a happy and purposeful Christian community which will enable pupils to grow in understanding of their faith and of themselves, to enjoy relationships based on trust, courtesy, kindness and co-operation, and to develop confidence and a joy in learning as a sound basis for further/higher education, satisfying careers/vocations and a full life;
- to improve the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct the School's business in accordance with the highest standards of integrity, probity and openness;
- to re-establish routines and structures for the academic year 2021-22 and to nurture our community;
- to promote diversity and equality education within our curriculum, to best fulfil our Mission Statement;
- to review our curriculum processes to ensure the best possible opportunities for our pupils and be Ofsted ready.

Objectives, strategies and activities

The School's main strategy encompasses providing:

- private, individual, small group and whole school opportunities to worship, to pray and to learn more about the Christian faith;
- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff, and especially teaching staff;
- secondments and placing of pupils with industrial and commercial partners for work experience;
- a programme of educational visits;
- a programme of sporting and after school leisure activities for all pupils;
- a system of after school clubs to allow pupils to explore areas of personal interest and challenge; and,
- a careers advisory service to help pupils obtain employment or move on to higher education.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that they have set.

Equality and Diversity policy

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The School aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

The School is in its eleventh year of operation as an Academy. The School is above its Planned Admission Number (PAN) due to successful admission appeals. Post 16 numbers are also more than last year at 224 (previously 212) but the School continues to focus on wider marketing of its Post 16 provision to external candidates. The total pupil roll in the year ended 31st August 2021 numbered 825.

Despite many declarations that public examinations would go ahead in the Summer of 2021, the decision was made to cancel these formal examinations and replace them with Teacher Assessed Grades (TAGs). These grades replaced the much-maligned Centre Assessed Grades (CAGs) that were initially adopted in 2020 before the weight of public opinion forced the examination boards to ignore the algorithm on which they were based.

These TAGs successfully passed all responsibility and blame to schools for the award of grades. The system required grades to be awarded based on a body of evidence. This required teaching staff to carry out and mark a range of assessments before then going through a process of moderation and standardisation. Once these grades were determined, SLT went through the evidence to ensure that the grades were justified by the evidence which was submitted. The School adopted a very rigorous system that involved a number of assessment opportunities. The rigour and validity of the evidence that was provided was evident in the relatively low level of pupils who appealed the grades awarded, and the fact that no appeal was upheld.

Just like last year, there was evidence of some grade inflation nationally, which has meant that the hard work of students and teachers in obtaining those grades has, in some quarters, been called into question. This is a travesty for those concerned, as the system that we adopted was very rigorous. The result achieved by our students were pleasing and we are extremely proud of what the pupils have achieved.

The School continues to be very pleased with its performance at Key Stage 4 with 91% of the pupils achieving at least 5 GCSEs at grades 4+ including English and Maths and with 69% of the pupils attaining the English Baccalaureate with at least standard passes in English and Maths. Due to the way these grades were created, there is limited comparison data available. However, the figure provided from SMID, using the DFE database for Progress 8, was +1.52, which maintains our statistically significant positive value added.

Key Stage 5 results demonstrated the rigour by which the School processed TAGs as outcomes, although an improvement on previous years, showed less improvement than that achieved nationally. The average point score per best 3 A-levels was 40.21 which represent a grade B average. 40.5% of A-Level grades were of an A or A* grade standard. The BTEC grades were also extremely high with 89% of those doing the double award and 76% of those doing the single award achieving Distinction or distinction * grades. The overall results achieved, according to SMID, would represent a Level 3 VA figure of +0.57.

The School, of course, is proud of all of its pupils - not just those achieving top grades - and their determination and hard work are to be commended. It is right and fitting that the commitment and dedication of our staff are also acknowledged as they worked so hard to ensure that pupils were given the support they needed in order to succeed.

To ensure that standards are continually raised, the School operates an in-house monitoring and support programme as well as performance management which focuses on teaching and learning. The School also participates in national programmes looking at added value through the key stages (eg SMID and Analyse School Performance (the replacement for RAISEOnline)).

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key Performance Indicators:

The School's last OFSTED Section 5 Inspection took place in November 2013, It was rated 'outstanding' for the third consecutive time and the full inspection report can be found on the School website by following this link:

https://sacredheartofmary.net/wp-content/uploads/sacred_Heart_of_Mary_Girls_School_for_publication_WF13173388.pdf

As a faith school, Sacred Heart of Mary Girls' School is also subject to a Section 48 (Religious Character) OFSTED Inspection. The most recent Section 48 Inspection Report was issued in March 2019. Inspectors rated the School as 'Outstanding' and, in summary of their findings and judgements, stated:

Overall effectiveness of this Catholic Grade school

Grade 1

The school has a distinctive Catholic ethos in the spirit of the Sacred Heart of Mary Order. The teachings and values of the Gospel are fundamental to the life and work of the school and permeate every aspect of school life.

It is a happy, Christ-centred learning environment in which all students thrive. Everybody is welcomed and empowered to contribute. There is a highly effective partnership between leaders at all levels. They have a clear understanding of the Church's vision for Catholic education to develop young people of faith. Staff and pupils understand this and live out a mission true to the charism of the Sisters of the Sacred Heart of Mary.

Governors are very active and provide highly effective support for Religious Education (R.E.) and the Catholic Life of the school. They are committed to the school's mission, are actively involved in its evaluation and are ready to challenge as well as support where necessary.

The Headteacher and her leadership team serve as powerful role models of Christian living and Catholic leadership. The Headteacher is knowledgeable and fully understands the strengths and areas for development in all areas of the school. She is highly respected by all members of the school community.

Pastoral care is outstanding and reflects the school's strong moral purpose. The school is significantly effective in providing a secure, spiritual learning environment in which all students are inspired to "live life to the full".

Pupils articulate a deep understanding of their responsibilities to each other. Consequently, behaviour is exemplary at all times. They are respectful of each other and work together to create a calm and prayerful community in which all are valued. The high level of inclusion ensures that no pupil is left out. Pupils are encouraged, praised and supported in lessons and assemblies.

The subject leader is experienced and highly effective. As a result, standards of teaching and learning are excellent and reflect the important role RE plays as a core subject. The impressive progress of pupils, including disadvantaged pupils, reflects the dedication and hard work of teachers and the behaviour for learning demonstrated by pupils in their lessons.

Collective Worship is recognised as fundamental to deepening the spiritual life of the school. It is led by a passionate and experienced Chaplaincy Lead. She is very well supported by the student-based chaplaincy team.

Parents overwhelmingly agreed that the school gives unstinting support for their children and provides an outstanding Catholic education.

What the school should do to improve further:

- Keep the Religious Education timetable allocation under review in light of the requirements of the Bishops Conference

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key performance indicators

CATHOLIC LIFE

Grade 1

Students make an outstanding contribution to the Catholic Life of the School and derive huge benefit from attending the Sacred Heart of Mary School. They embrace the demands and expectations that being at this school entail. As a result, they willingly take on responsibilities that promote and sustain the school's mission to serve and inspire a generosity of spirit. Through their attitudes and actions, students show their commitment to living the mission of the school, 'to live life to the full and bring life to others'. This is evident in the spirit of friendship and mutual respect that permeates the school.

Students were particularly appreciative of the way they all felt included in the 'family' of the Sacred Heart of Mary. A member of the order said that 'the girls are at the heart of the school'. Students show an ability to express their thanks, to forgive and be forgiven. As a result, relationships between all members of the community are warm and respectful. Behaviour is exemplary at all times. The impact of student leadership is evident in the range of opportunities to take on roles and responsibilities. Sixth form student leaders are outstanding role models for younger students. They set an example of leadership and maturity to which pupils can aspire. Students are genuinely supportive of each other, for example the sixth form mentors and prefects who support pupils around the school and in form groups. Students' understanding of Catholic social teaching is evident in the awareness they have of the needs of the school and the wider community. Students are aware of and seek to respond to their responsibilities towards others. They respond generously to a range of opportunities to serve others. For example, raising funds for charitable causes during Advent and Lent for staff and pupils participating in annual pilgrimages with HCPT and the Diocese. They understand not only the importance of giving, but also the reason why they should be doing so in a Catholic school.

The 'Corridor of Prayer' is a significant feature of the school. All members of the school publicly commit themselves to their faith with Lenten pledges. These are reinforced on a display board in the main entrance of the school and on displays in 'The Corridor of Prayer'. Parents were overwhelmingly appreciative of the impact the school has on their children. One parent commented that "God is at the front of everything the girls do".

The quality of provision of the Catholic Life of the school is outstanding

The school is distinctly Catholic. The charism of the Sacred Heart of Mary Order is encapsulated in the school's Mission Statement, 'Ut Vitam Habeant', 'that they may have life'. It is central to the life of the school and 'Life to the Full' is a constant focus of assemblies. It is a clear and inspiring expression of love and service. The community overwhelmingly respond by creating an authentic Catholic school through prayer and service to others. The Memorial garden serves as a witness to the family of the Sacred Heart of Mary. It is a reflective space in which students who have died are remembered and prayed for by staff and students. The impact of the Mission Statement is evident in the joyful and harmonious relationships throughout the school. All staff are fully committed to its implementation, as confirmed by students who spoke warmly of the support, praise and encouragement they receive. They commented on the extent to which interaction between the year groups contributed to their well-being. Pastoral care is outstanding and serves the needs, concerns and strengths of each child. Policies and practices have established a spirit of care and compassion for all. As a result, students are able to grow in confidence and maturity. The school provides effective support for students with a variety of needs. The Sacred Space is a designated room which provides a safe haven for vulnerable students, most particularly those who suffer from anxiety. Behaviour is exemplary as a result of policies that are clearly communicated to students at their induction and consistently applied. Students confirmed that good behaviour is the norm because everybody respects and wants the best for each other. The efficacy of chaplaincy provision is profound. Its aim is to bring the Kingdom of Heaven to the school. It is instrumental in providing a range of opportunities for pupils to develop the practice of their faith. The strong sense of community at all levels, evident in the high quality relationships and the centrality of prayer to the whole community, reflect the shared ministry of all staff. Pastoral care represents a significant strength of the school, evidenced in interviews with governors, staff and students. All were eager to highlight the tangible togetherness and mutual high regard regardless of faith and background. Students highlighted how the supportive nature of relationships between staff and pupils and between pupils across year groups contributes to their pastoral wellbeing.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

How well leaders and managers promote, monitor and evaluate the provision for the Catholic Life of the school is outstanding.

Leaders and managers are deeply committed to the Church's mission in education. They demonstrate a clear understanding of their responsibility to provide a school that responds to the needs and strengths of staff and students. They articulated a clear vision for deepening the impact of the Catholic Life of the school. Leaders have a well-informed understanding of the strengths of the provision for the Catholic Life of the school and areas for development. This is reflected in the self-evaluation which is a coherent reflection of their awareness of the strengths of the school and areas for development. Governors monitor and evaluate the quality of the Catholic Life by their presence around the school and attendance at liturgical celebrations. The Link Governor reports to formal meetings. Testimony from pupils and parents indicates that the school effectively maintains its distinctive ethos. The professional expertise and inspirational leadership of the Headteacher is a significant factor in the efficacy of the Catholic faith in the life of the school. The high priority given by her to promoting the centrality of the school's Catholic ethos is a living reality, evidenced by its modelling by the whole staff.

Students recognise that they are supported. The powerful impact of the Sacred Heart of Mary charism is seen in the powerful and lived Catholic ethos of the school. The Headteacher said her aim at the outset was to build a school on the legacy of the Sacred Heart of Mary Order. The Sisters confirmed their pride in the way the school does this. The induction into the Sacred Heart of Mary ethos for new staff and regular inset on Catholic Life are instrumental in developing a deep awareness of what it means to be a member of the community. Constant communication between the school and parents was affirmed in parental feedback. They expressed their warm appreciation for the way the school complements and supports their work as parents. As a result, staff and students' understanding of the mission of the Sacred Heart of Mary is outstanding.

RELIGIOUS EDUCATION

Grade 1

Almost all pupils make progress in R.E. above the national average. Groups of students, including pupils with special educational needs and disabilities, make at least their expected level of progress, whilst some make outstanding progress. During the inspection, students displayed good, and in most cases, outstanding, age-appropriate standards of religious literacy. R.E. is held in high regard by students. All pupils approach lessons with great interest and enjoy their learning. This is evidenced by outstanding behaviour for learning and high levels of engagement in observations during the inspection. Students were able to articulate to inspectors a high level of motivation to learn as a result of the praise and encouragement they receive for their work and attitude. They demonstrated an ability to work collaboratively and independently to great effect. As a result of high quality teaching, student attainment in RE over the last three years has been consistently outstanding. All students achieved their expected levels with many exceeding their expected grades. Attainment at A level is consistently above the national average. The ALPS score was 2, up from 7 the previous year. This reflects the ambitions teachers have for each pupil. High expectations show the determination of staff to help pupils achieve at least expected outcomes in R.E. Challenging targets are set. Pupils respond positively to the challenge and grow in self-confidence because of the encouragement and praise they receive from teachers. Lesson observations and reviews of pupils' work by inspectors confirm the school's self-evaluation and observations that teaching is always at least good and often outstanding. Priorities for improving teaching come from a detailed review of observations. Pupils make progress above the national average because well-structured lessons are delivered in ways that are engaging and well-paced. This reflects a high level of consistency across the department that ensures all pupils learn. A range of AFL techniques are effectively used within lessons to assess progress and to inform further planning.

Lesson observations and reviews of pupils' work during the inspection confirm the school's judgement that teaching is generally outstanding and never less than good. As a result, pupils make rapid and sustained progress in R.E. Evidence shows teachers differentiate effectively and demonstrate excellent subject knowledge. Challenging questioning techniques and appropriate levels of challenge were seen in the lessons inspectors observed. Teachers are highly effective in consistently planning and delivering high-quality lessons linked to pupils' current assessment. As a result, pupils continue to consolidate and extend their learning. Teachers have a high level of confidence because of their excellent subject knowledge and a range of inspiring methods that engage and challenge pupils. This was particularly evident in GCSE lessons. Students developed their understanding of key exam skills as a result of clear explanations and regular reinforcing of how to achieve top marks. A rigorous and effective assessment process at Key Stages 3 and 4 is undertaken in line with the school's policy.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

It is used to measure progress against set criteria and identifies pupils' strengths and areas that need further support. There is a consistency of high expectation and planning across the department. As a result, teachers are confident in using a wide range of resources and strategies that inspire pupils' engagement and learning. Pupils confirmed they receive support and extra challenge as appropriate to their needs.

Leaders and managers are ambitious for sustaining high standards of teaching and learning in R.E. Governors are effective in supporting and challenging school leaders. The Link Governor reports formally once a year to governors. Informal monitoring visits occur throughout the year. Governors are proud of the school's achievements and are determined to lead the school in continually improving standards. Leaders and Governors ensure R.E. has full parity with other core subjects as evidenced in outcomes and staffing. The Headteacher is committed to promoting the central role R.E. has in this outstanding school. She works effectively with her senior team who demonstrate strong and inspirational leadership of teaching and learning in R.E. The school is part of the Agnus Dei teaching alliance which offers the school opportunities to develop methodology and assessment with other schools. They regularly monitor teaching and learning through learning walks and joint observations with the Head of Department. The Headteacher meets the Head of Department fortnightly. This results in consistent feedback and accurate judgement. Leadership of R.E. inspires whole-hearted commitment from staff and pupils. As a consequence, standards of teaching and learning are outstanding. She uses her experience and expertise to support and improve the effectiveness of teachers of R.E. Her tangible support in the form of staffing and resources confirms that understanding goes beyond public rhetoric. The high quality learning displays in the suite of RE rooms provide visible resources to support students of all abilities. The curriculum across all key stages meets the requirements of the Religious Education Curriculum Directory. The allocation of curriculum time at key stages 3 and 4 do not yet meet the requirements of the Bishops' Conference. The school is committed to addressing the allocation for 2019-2020. This indicates governors' intent to meet the required timetable. The Edexcel Specification A is studied for GCSE. The second religion is Judaism. This meets the requirements of the Diocesan Bishop.

COLLECTIVE WORSHIP

Grade 1

Acts of Collective Worship engage all pupils' interests and inspire them in deep thought and heartfelt response. Students are at the heart of the community life of prayer. They affirmed their level of participation and their readiness to prepare and participate as singers, servers and readers. Acts of worship are enhanced by the strong support of chaplains and the Music department. Students feel a genuine share of ownership and embrace prayer and the celebration of Mass in a joyful yet respectful manner. There is a high level of respect and reverence for the prayer and liturgical experiences as evidenced in assemblies and prayer sessions during the inspection. A local parish priest confirmed that pupils pray and worship with sincerity and integrity. He commented that their preparation for the Sacrament of Reconciliation was excellent. Student leadership of Collective Worship is evident across the school. Every form class has a liturgical representative elected by peers. Sixth form students volunteer as senior prefects who support the students in years 7-9 in coordinating the preparation of collective worship. They are also commissioned as Eucharistic Ministers. There is strong support from the Music department with several choirs leading communal singing in liturgical celebrations.

The quality of provision for personal prayer and Collective Worship is outstanding. Praying together is part of the daily experience for pupils, irrespective of their age and faith background. Students confirmed the extensive and varied religious experiences that form the heart of school celebrations are a significant part of the daily routine of learning. Staff are integral to the provision of Collective Worship. The assembly and form prayer demonstrated the impact of high quality resources on the engagement of staff and students in prayer. Collective Worship has a clear purpose, message and direction. Themes chosen for worship reflect a deep understanding of the liturgical season. The extensive range of weekly Masses, assemblies and prayer experiences serve to offer outstanding provision for all key stages. Celebrations of the Eucharist for the whole community take place at key liturgical moments throughout the year, for example, Founder's Day. Teachers are highly skilled in helping pupils plan and deliver Collective Worship. The Chaplain is passionate about supporting the growth of faith in each person. She said the aim of chaplaincy was to 'bring the Kingdom of God into the school'. She provides extensive resources to staff that deepen their understanding of the purpose of Collective Worship. The experience of living and working in a praying community has had a visible effect on the development of pupils. They spoke confidently and knowledgeably about the value of prayer in a Catholic school.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Leaders and Governors are deeply committed to the growth of a distinctly Catholic community. They are fully committed to the school's religious foundation. They ensure that Collective worship is an integral part of the daily life of the school. The Headteacher, supported by senior leaders, is passionately committed to building an authentic worshipping community. They are very visible as leaders of Collective Worship within the school and draw upon their formation and experience as Catholic leaders to ensure pupils experience meaningful daily prayer and worship. Governors monitor and evaluate the quality of Collective Worship on their annual formal visit and by attending Mass and seasonal liturgies. The Link Governor regularly discusses the quality of Collective Worship with the Headteacher and reports to a full governing body. The Headteacher and senior staff provide a range of opportunities to celebrate Mass and come together for prayer. They inspire enthusiasm as seen with vibrant team of pupils across the school. The effectiveness of the Chaplaincy Lead was affirmed by staff and students. She is highly respected by all members of the community. As Head of Music, she enhances Collective Worship with singing through the several choirs in the school.

Since the School's last Section 48 Inspection, a new Self-Evaluation Form (SEF) has been drafted as there is a new Framework for all Section 48 Inspections in place.

Impact of COVID-19

A major issue faced by the academy from March 2020 onwards related to the School's response to the COVID-19 restrictions during an unprecedented period of national crisis in living memory.

The Governing Body's first priority during this pandemic has been the safety and well-being of all students, staff and visitors to our premises through the Health & Safety Risk Assessments on the School's website <https://sacredheartofmary.net/corona-virus-communications/>

All Government directives have been followed.

During the Spring Term school closure, teaching and learning was undertaken remotely.

The Teacher Assessed Grades (TAGs) process resulted in school staff having to undertake massive additional workload so that pupils were awarded the public examination grades they deserved and that reflected their ability level and level of application. Following a moderation and internal quality control process undertaken by senior staff, the TAGs were submitted just before the 18 June 2021 deadline.

A 'Keeping In Touch' Strategy was deployed to maintain links with the pupils and their families as well as to monitor their well-being. A specific and monitored helpline e-mail address was set up and monitored by specified staff throughout.

Bereavement support was put in place and made available to anyone who might require it and other support agencies were signposted. Mental health support was made available to pupils and staff.

Going concern

After making appropriate enquiries and having reviewed and considered its dynamic Three Year Budget Plan as well as the monthly financial management reports produced by the School's finance team, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and certainly up to the end of the Academic Year 2021 - 2022 and beyond. 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.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

Most of the School's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, a very small proportion of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The School also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities (SORP 2019)', such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life to the assets concerned.

The COVID crisis and national lockdown has put the School under additional financial pressure. Staff shortages due to isolation requirements and the need for extra cleaning and supervisory staff has led to increased staffing costs throughout the year. The needs of the pupils upon return from lockdown was such that additional staffing was essential to facilitate the learning at the levels required to meet the needs of the pupils both academically and emotionally. It is testament to the hard work and dedication of the Accounting Officer, Ms Qurrey, the Chief Finance Officer, Mrs Jones, and the Finance Officer, Mrs Austin, that there was an in-year surplus of £40k from the previous Academy Financial Year in that the unrestricted reserves at the year-end increased from £99k as at 31st August 2020 to £139k as at 31st August 2021. This was achieved in spite of the reduction in trading income from catering facilities and lettings during the Spring Term 2021 closure period but also as a result of additional grant funding for some staff absences and redeployment as well as for testing, tutoring and general catch up. As a school community, we continue to feel proud of our reaction to the COVID crisis but are still concerned about the overall ongoing negative impacts upon our staff and pupils. The School is also extremely proud of its online strategy and overall care and support of its staff and pupils that was employed to ensure that our community survived even these most demanding of times.

Moving forward, the School's principle risks and uncertainties will be managed by keeping them under continuous review. Recovering from the pandemic is one of the key factors that may affect the School's financial position in the future. The mid and long-term implications will become clearer over time but the monthly reporting system and the twice termly update reports from the Headteacher will allow Governors to keep abreast of the potential financial and other related consequences.

The School continues to have a long-standing, strong reputation in the local area and applications for places in Year 7 have been maintained at levels seen in previous years with well over double the applications for the number of places available. Sixth form numbers have also increased by twelve, or about 5%, on the previous year which, though lagged by a year, will bring in an additional £60k in income for the School. Both the Governing Body's and Senior Leadership Team's focus has been and will be to ensure that the key performance indicators for the School and the well-being of both pupils and staff continue to be the priorities in the post-Covid landscape.

During the year ended 31 August 2021, total expenditure of 5,382k (2020: £5,378k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £121k (2020: £414k).

At 31 August 2021 the net book value of fixed assets was £2,340k (2020: £1,503k). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the School.

The London Borough of Havering Pension Fund, in which the School participates, showed a deficit of £1,506k (2020: £1,268k) at 31 August 2021. Of this sum, £447k was inherited by the School from the London Borough of Havering on 1 August 2011. The latest three-yearly review of the School's actuarially-calculated pension liabilities relating to the London Borough of Havering Pension Fund was due to take place by 1 April 2020. Unfortunately, the School has not been informed of the outcome of the review to date as a direct consequence of the restrictions affecting the Scheme's administrators during the Coronavirus pandemic.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial and Risk Management Objectives and Policies

The financial risks which the School is exposed to relate primarily to:

- Pension fund deficit and risk that the employers' contribution rate may increase
- Risk that income may not meet expenditure requirements
- Risk that debts are not recovered
- Risk of fraud
- Risk that assets are not capitalised
- Risk that return on investments is not being maximised
- Risk arising from the requirements of the legislation, guidance and arrangements relating to COVID-19.

A risk arises in relation to the defined benefit pension scheme due to the fact that there is a deficit of £1,268k. In order to mitigate the risk posed by the pension fund deficit resulting in increases to employers' contribution rates, the School has early discussions with the Scheme administrators at LBH with regard to indications of the School's increased liabilities and suggested increases are incorporated into the Three Year Budget Plan.

The Governing Body established a Finance, Budget and General Purposes Committee in October 2015 in order to mitigate the risks posed by increased expenditure outside of the School's control and decreased income. This Committee met on four occasions in the Academy Financial Year 2020-2021. The Committee's major focus, in addition to its normal areas of financial scrutiny, was on resource deployment related to keeping pupils, staff and visitors safe during the COVID-19 pandemic but also on mitigating the negative impact of the additional costs associated with control measures as well as the significant loss of income from trading activities either curtailed or cancelled as a direct consequence of the same control measures imposed by Central Government. The success of both the Committee and finance staff in achieving a small in-year surplus bears testimony to the robust procedures that were put in place to safeguard the school as a 'going concern' in spite of the unprecedented circumstances.

The Audit and Risk Committee met on three occasions during the Academy Financial Year 2020-2021. The main focus of the Committee is to ascertain risks to the school's viability and financial probity and to monitor and consider the procedures it has in place to mitigate those risks. The first meeting of the year saw Committee members consider and agree the responses to the recommendations made in the management letter from the auditor relating to the Annual Accounts for the Academy Financial Year 2019 – 2020. The second and third meetings focused on the recommendations of the Internal Auditor in relation to fixed assets and depreciation and financial reporting to governors, including cashflow and forecasting, respectively.

Financial Impact of Covid-19

The following points reflect some of the more significant financial impacts of COVID-19 restrictions that Governors faced:

- Significant revenue was lost as rental of facilities stopped with immediate effect on 20th March 2020;
- As a publically-funded organisation, the School has not been permitted to furlough any of its core staff;
- Catering income ceased to make any profits as they were only partially operating for the pupils and staff required on site and the menu options had to be reduced;
- Extra cleaning of the premises past, present and future has and will continue to become much more expensive. The cost of disinfecting and sanitising materials has, in some circumstances, doubled and, although we remain committed to finding the best price, it is also a question of where stock is available;
- Personal Protective Equipment (PPE) and hand sanitiser has been a massive and unforeseen addition to the budget and this is set to be ongoing for some time; and,
- Significant adaptations to the premises have had to take place in order to comply with risk assessment control measures.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Some of the control measures to prevent and reduce the risk of COVID-19 transmission are:

- Hand sanitization stations for pupils and staff both inside and outside;
- Extra pedal and wheelie bins for disposal of tissues and refuse;
- Purchase of face visors, masks and other PPE for staff;
- Barriers to make sure that a one way system can operate around the school;
- Re-organisation of classrooms for teaching;
- Limit to numbers allowed in any workplace/office;
- Cubicles to divide staff working side by side;
- Perspex screens around various parts of the school;
- Paint or marker tape for socially distanced line ups and separation;
- Extra points for food consumption and service; and,
- COVID-19 signage throughout the school.

Control measures are under constant review and are updated as necessary according to the amended Risk Assessments.

To keep an accurate figure of additional costs and spending as a direct result of COVID-19 restrictions and the School's statutory duties relating thereto, the School Business Manager has kept a precise record of these. All of this, especially the loss of self-generated income, has had a very negative effect on both the income and expenditure budget in a way that could not have been foreseen and, consequently, this has also had a very detrimental effect on the School's three year budget plans through no fault of its own. This being said, the trading activities are gradually returning to normal after the ending of lockdown and other COVID-related restrictions.

During partial or complete closures of the School, key personnel were available either on site or remotely to follow the financial procedures and day-to-day operation of the School, including supplier/contractor payments and payroll.

Either the Headteacher or a member of the Senior Leadership Team (SLT) was available to staff, parents and pupils throughout the lockdown period.

The Governing Body wishes to express its gratitude to all staff for their dedication, care and hard work on behalf of and to the benefit of the whole school community throughout this period.

Reserves policy

The Governors review the reserve levels of the School annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to expenditure of approximately £140k. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The School's current level of free reserves is £139k (2020: £168k) (total funds less the amount held in fixed assets and restricted pension funds).

The School held fund balances at 31 August 2021 of £1,015k (2020: £413k) comprising £876k (2020: £314k) of restricted funds and £139k surplus (2020: £99k) of unrestricted general funds. Of the restricted funds, £2,382k (2020: £1,513k) is represented by fixed asset funds.

The Local Government Pension Scheme reserve which is considered part of restricted funds, was £1,506k (2020: £1,268k) in deficit.

Investment policy

Under the Memorandum and Articles of Association, the School has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. In spite of the aforementioned unprecedented financial difficulties experienced by the School consequent to the Coronavirus pandemic, the organisation still has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The principal risks and uncertainties that the School faces are:

- Significantly increased expenditure and reduced income
- School may receive an unfavourable OFSTED report
- Parents/other stakeholders may consider that the School does not provide a valuable/high quality service
- An uncontrollable event may impact on the School significantly (eg a fire or flood)
- Low morale arising amongst staff and recruitment & retention difficulties
- Health & Safety risk involving injury/fatality to pupils/staff/third parties
- Key personnel loss/succession
- Key supplier dependency

However, these are mitigated by the risk management processes that the School has in place. Please see commentary provided earlier on ways in which the Governing Body has endeavoured to mitigate some of these risks during the Financial Year 2020-2021 in the face of unprecedented financial pressures.

Fundraising

The majority of fundraising for the Trust is undertaken by the Parents', Teachers' and Friends' Association (PTFA), this is a separate body to the Trust but is subject to the same provisions of the Charities Act 2016.

The Trust undertakes a few fundraising activities each year, these include musical concerts, non-uniform days (although these funds are raised for other nominated charities). These activities are closely monitored and set up in line with accepted fundraising practice.

The Trust monitors its small fundraising activities through periodic budget reports which are reviewed by governors. No complaints have ever been received for any fundraising activities at the school. The Trust only ever asks for voluntary contributions towards its fundraising and would never discriminate against any student or parent who did not want to contribute towards any activity. Fundraising requests tend to be made via email and not face to face so we do not place undue pressure on individuals to donate.

Plans for future periods

The School Improvement Plan (the Plan) is produced annually. This working document sets out in detail plans for improvement and development in future periods. In essence, the Plan and the Statement confirm that the School will continue to strive to improve the performance of its pupils at all levels and will continue its efforts to ensure its pupils gain employment or a place in higher or further education when they leave.

The School was successful during 2020-2021 in securing Condition Improvement Funding (CIF) for Critical Fire Safety upgrades for the whole of A block. This work was hampered by the pandemic, although builders were able to work, supplies of equipment were often unavailable. This project was completed by the end of August 2021. The School was successful with both bids for 2021-2022 for Electrical & Fire Safety Improvements (phase 2) and Heating Distribution & Associated works. Both of these works have now started. The School will also be applying for CIF money for phase 3 of the Electrical and Fire safety as well as a bid for major roofing works for 2022-2023.

The School will continue to provide opportunities for an education to all pupils that reflect its Catholic foundation and ethos. The School continues to establish links with the local and wider community and direct access to the School's facilities, curricular materials and the expertise of school staff.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

In so far as the Governors are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

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

Mrs V Davin

Chair of Governors

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Sacred Heart Of Mary Girls' School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of governors has delegated the day-to-day responsibility to the 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 Sacred Heart Of Mary Girls' School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met both face-to-face and virtually six times during the year. Attendance during the period at meetings of the Governing Body averages 83%, and, in detail, was as follows:

Governors	Meetings attended	Out of possible
Mrs T Knight	6	6
Mr M Heavey	4	6
Mr M Earley	6	6
Mrs H Ward	4	6
Mr P McAuliffe	6	6
Mrs K Jones	6	6
Miss A Holman	6	6
Mr M O'Riordan	5	6
Sister R Lenehan	4	6
Mr D Leech	6	6
Mr S Hartley	5	6
Mrs M Devlin (Resigned 14 October 2021)	0	6
Mrs B Gopal	3	6
Mrs V Davin (Chair of Governors)	6	6
Mr J Crispin	6	6
Mr L Johnston	6	6
Mr P Kennedy	5	6
Ms V T Qurrey (Accounting Officer) (Appointed 1 September 2020)	6	6
Mr R Hoggett (Appointed 1 December 2021)		

The membership of the Governing Body during the Academy Financial Year 2020-2021 remained very stable. Mr Crispin joined the Governing Body as a Parent Governor at the beginning of the year. Mrs Ward was reappointed as a Parent Governor in February 2021 and Mrs Gopal was reappointed as a Co-opted Governor in March 2021. The Audit Committee was renamed the Audit and Risk Committee in line with the relevant nomenclature for such a Committee in the new Academy Trust Handbook. In line with requirements set out in the new OFSTED Inspection Framework effective from September 2020, a Behaviour and Attitudes Committee was also formed during the course of the year to focus on pupil and staff well-being, attendance, the religious and liturgical life of the School as well as all other aspects of spiritual, moral, social and cultural (SMSC) development.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Academy Financial Year 2020-2021 has been the second year that performance indicators relating to progress, achievement and financial management have been significantly impacted by the COVID-19 pandemic. Instead of the usual termly Headteacher's Report, Governors have received and considered a Headteacher's Report at all six Governing Body meetings held during the year, all of which provided excellent data in relation to health and safety risk assessments, SEN provision attendance, including infection and self-isolation levels, safeguarding, achievement and progress, particularly with regard to centre-assessed grades for public examinations, and remote learning provision. Whenever it was safe to do so, Link Governors continued to liaise with staff and to report back to the full Governing Body (as evidenced in meeting minutes). The Finance Staff have continued to supply reports to Governors in the specified formats either at full Governing Body meetings or at meetings of the Finance, Budget and General Purposes Committee. It is testament to the quality of that finance information and of the management of the School's finances by the Governing Body and by Finance Staff that the School ended the Academy Financial Year 2020-2021 in a far better position than was envisaged at the beginning, in spite of the additional financial pressures imposed by the control measures relating to COVID-19. The Governing Body would wish to record its gratitude to the Accounting Officer, Ms Qurrey, to the Chief Finance Officer, Mrs Jones, and to the Finance Officer, Mrs Austin, for their dedication and hard work over the past year in very difficult circumstances that has resulted in a much more positive outcome for the School's overall financial position than had been originally envisaged.

The Governing Body conducts its own skills audit and self-evaluation every year and the Academy Financial Year 2020-2021 was no exception in spite of the straitened circumstances caused by the COVID-19 pandemic. The outcome of the audit in the relevant year indicated that there were no areas of skills shortage in terms of the Governing Body's overall skill set, with an increasing number of Governors responding that they now felt 'experienced' in the key areas. With regard to legal expertise, the Governing Body now has a service level agreement with Winckworth Sherwood for all aspects of legal advice it may require and the Governing Body has made use of this service during the course of the Academy Financial Year 2020—2021. During the period under consideration more Governors than ever took part in online training and information sessions, particularly those organised by the Diocese of Brentwood. The Headteacher also updated Governors on the new framework for Section 48 inspections. At one of its meetings in the Spring Term 2021, it was resolved that all Governors should undergo Prevent/Radicalisation and Safeguarding accredited training at least every two years. An external review of the operational effectiveness of the Governing Body in terms of compliance was conducted by the Internal Auditor and a report was received and considered by the Audit and Risk Committee at one of its meetings and it duly reported back on these matters to the full Governing Body. There were only a small number of recommendations made by the Internal Auditor and many have already been rectified.

The ESFA has accredited Mrs Davin as suitably experienced and qualified to act in the strategically very important position of Chair of Governors.

The finance and general purposes committee is a sub-committee of the main board of governors. Its purpose is to:

- Present a draft of the Annual Budget to the Governing Body for approval
- Regularly monitor actual income/expenditure
- Award contracts by tender (up to a specified limit)
- Monitor the effectiveness of financial procedures and controls
- Move money between budget headings i.e update the Budget
- Ensure that there is a Three Year Budget Plan in place and is being updated regularly.

The Committee should:

- Challenge the Draft budget by working with the Headteacher and SBM
- Consider income generation strategy
- Forecast income and spending levels
- Receive and review regular Budget Monitoring and Management Reports
- Make sure accounts are properly finalised and reported each year
- Consider the content of audit reports and the actions included
- Evaluate financial decisions
- Make sure systems of internal financial control are effective

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr M Heavey	1	4
Mr P McAuliffe	3	4
Mrs K Jones	4	4
Mr M O'Riordan	3	4
Sister R Lenehan	4	4
Mr D Leech	4	4
Mrs V Davin (Chair of Governors)	4	4
Mr J Crispin	3	3
Ms V T Qurrey (Accounting Officer) (Appointed 1 September 2020)	4	4

The audit committee is a sub-committee of the main board of governors. Its purpose is to:

- Oversee and approve the academy's programme of internal scrutiny
- Ensure that risks are being addressed appropriately through internal security
- Report to the Board on the adequacy of the academy's internal control framework (including financial and non-financial controls and management of risks).

It must:

- Have written terms of reference describing its remit
- Agree an annual programme of work to deliver internal scrutiny
- Review the ratings and responses on the risk register to inform the programme of work, making sure checks are adjusted as appropriate each year
- Agree who will perform the works
- Consider:
 1. Reports at each meeting from those carrying out the work
 2. Progress in addressing recommendations
 3. Outputs from other assurance activities by third parties, including Education and Skills Funding Agency (ESFA) financial management and governance reviews, funding audits and investigations.
- Have access to and consider the quality of the external auditor and those carrying out internal scrutiny.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mrs T Knight	3	3
Mr M Earley	3	3
Miss A Holman	3	3
Mr S Hartley	3	3
Mr L Johnston	2	3

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

The accounting officer for Sacred Heart of Mary Girls' School is responsible and accountable for ensuring that the academy delivers good value in the use of public resources. The accounting officer is aware of the guide to academy value-for-money statements published by the Education and Skills Funding Agency and understands that value-for-money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

Set out below are examples indicating how the academy's use of its resources has provided good value-for-money during the academic year:

We use the principles of 'Best Value' as they apply to secure continuous improvement in this school through:

- regular review of the functions of the School which challenges how and why services are provided and sets targets and performance indicators for improvement;
- monitoring of outcomes and comparison of performance with similar schools and within departments of the School;
- consultation with appropriate stakeholders before major decisions are made; and
- promotion of fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way.

We strive to ensure that the School uses its resources effectively to meet the needs of pupils. The progress of the Annual Budget Plan and the Value-for-Money statement will be monitored within the School Improvement Plan (SIP) in order to determine the extent of continuous improvement.

The principles of 'Best Value' are being achieved in the School through the following:

1. School Improvement Plan/ Post Ofsted Inspection Plans

The School ensures continuous improvement through the School Improvement Plan and/or Post Ofsted Inspection Plans. Development is monitored and evaluated on a regular cycle and linked to the School Budget Plan. In addition, staff and Governors are consulted when preparing the SIP.

In the OFSTED Inspection Report published in November 2013, the School received a Grade 1 in the section entitled 'Leadership and Management.'

2. Financial Regulations

The School complies with the requirements of the Funding Agreement with the Secretary of State for Education and with the Academies' Financial Handbook in the administration of its budget, including the seeking of quotes and tenders for the purchase of supplies and services where the value exceeds published limits. Compliance with Financial Regulations is measured through the school audit process.

3. Financial Governance

The Governing Body approves the annual budget and longer term budget forecast on an annual basis. Governors receive and approve the annual accounts and the external auditors' report and take action on any recommendations made following the annual audit.

The Finance, Budget and General Purposes Committee meets at least once per term to review budget monitoring reports and to approve larger expenditure items.

The Accounting Officer meets with the Finance Manager on a regular basis to review finances and address any budget variances.

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4. Procurement

The School ensures that contractors and suppliers are of good quality and reasonable cost. Consideration is given to the purchase of goods and services following an evaluation of value-for-money.

5. Comparative Information

The School makes use of comparative data from national and local sources in the planning process. The Finance, Budget and General Purposes Committee of the Governing Body considers national and local benchmarking data when available and when provided in a timely manner by Central Government. Other data sources such as SMID, ALPS and Analyse School Performance are used to monitor and predict individual pupil progress.

6. Consultation

The School uses a variety of techniques to consult with a range of stakeholders in determining priorities and direction. For instance, through School Council and through the PTFA.

The School has in place a strategy and a set of guidelines, updated annually, which will ensure that value-for-money will be reviewed and demonstrated.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sacred Heart Of Mary Girls' School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

SACRED HEART OF MARY GIRLS' SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Governing Body, in line with recommendations made by its auditor, Azets Audit Services, appointed Herts for Learning as its Internal Auditor. Three internal audit visits were made during the course of the year focusing on financial reporting and cashflow, fixed assets and depreciation and Governing Body compliance. A report was produced after each of these visits that was considered in detail by the Audit and Risk Committee and a single report covering the work undertaken over the past year was produced for consideration by the Accounting Officer and Chief Finance Officer.

The IA is tasked with reporting to the Governing Body through the Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Governing Body, as set out above, and prepares an annual summary report to the Audit Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Audit Committee consider actions and assess year on year progress.

The relatively small number of recommendations made by the Internal Auditor during the course of the Academy Financial Year 2020-2021, as well as the recommendations made by the auditor in relation to the audit of the Accounts for the Academy Financial 2019-2020 have been expedited, except where there was a conflict between the advice of the Internal Auditor and that of the External Auditor. The Audit and Risk Committee at its next meeting will be reviewing progress on expediting all recommendations made by the Internal Auditor over the past year.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework; and
- the most recent version of the Academies Financial Handbook.

The accounting officer has been advised of the implications of the result of their review of the system of internal and external control by the Finance, Budget and Purposes Committee and Audit Committee through the minutes of these Committees and a plan to address any weaknesses identified and to ensure that continuous improvement is in place, as set out in the management responses to the recommendations made in the management letter.

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

Mrs V Davin
Chair of Governors

Ms V T Qurrey
Accounting Officer

SACRED HEART OF MARY GIRLS' SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Sacred Heart Of Mary Girls' School, I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust's board of governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of governors and ESFA.

Ms V T Qurrey
Accounting Officer

15 December 2021

SACRED HEART OF MARY GIRLS' SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors (who act as trustees for Sacred Heart Of Mary Girls' School and are also the directors of Sacred Heart Of Mary Girls' School for the purposes of company law) are responsible for preparing the Governors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 Governors to prepare accounts for each financial year. Under company law, the Governors must not approve the accounts 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 accounts, the Governors are required to:

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

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

The Governors 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 accounts may differ from legislation in other jurisdictions.

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

Mrs V Davin
Chair of Governors

SACRED HEART OF MARY GIRLS' SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SACRED HEART OF MARY GIRLS' SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Sacred Heart Of Mary Girls' School for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

SACRED HEART OF MARY GIRLS' SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SACRED HEART OF MARY GIRLS' SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

SACRED HEART OF MARY GIRLS' SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SACRED HEART OF MARY GIRLS' SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

Use of our report

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

Catherine Cooper (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

16 December 2021

Chartered Accountants
Statutory Auditor

1 Nelson Street
Southend-On-Sea
Essex
United Kingdom
SS1 1EG

SACRED HEART OF MARY GIRLS' SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SACRED HEART OF MARY GIRLS' SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 2 July 2021 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 Sacred Heart Of Mary Girls' School during the period 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 Sacred Heart Of Mary Girls' School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Sacred Heart Of Mary Girls' School 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 Sacred Heart Of Mary Girls' School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Sacred Heart Of Mary Girls' School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sacred Heart Of Mary Girls' School's funding agreement with the Secretary of State for Education dated 1 August 2011 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 period 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 trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

SACRED HEART OF MARY GIRLS' SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SACRED HEART OF MARY GIRLS' SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Reporting Accountant

Azets Audit Services
1 Nelson Street
Southend-On-Sea
Essex
SS1 1EG
United Kingdom

Dated: 16 December 2021

SACRED HEART OF MARY GIRLS' SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	84	20	853	957	485
Charitable activities:						
- Funding for educational operations	4	-	4,874	-	4,874	4,469
Other trading activities	5	221	-	-	221	361
Total		<u>305</u>	<u>4,894</u>	<u>853</u>	<u>6,052</u>	<u>5,315</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	120	5,200	62	5,382	5,378
Total	6	<u>120</u>	<u>5,200</u>	<u>62</u>	<u>5,382</u>	<u>5,378</u>
Net income/(expenditure)		185	(306)	791	670	(63)
Transfers between funds	16	(145)	67	78	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	18	-	(68)	-	(68)	49
Net movement in funds		40	(307)	869	602	(14)
Reconciliation of funds						
Total funds brought forward		99	(1,199)	1,513	413	427
Total funds carried forward		<u>139</u>	<u>(1,506)</u>	<u>2,382</u>	<u>1,015</u>	<u>413</u>

SACRED HEART OF MARY GIRLS' SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2020
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	94	-	391	485
Charitable activities:					
- Funding for educational operations	4	-	4,469	-	4,469
Other trading activities	5	361	-	-	361
Total		455	4,469	391	5,315
Expenditure on:					
Charitable activities:					
- Educational operations	7	230	5,108	40	5,378
Total	6	230	5,108	40	5,378
Net income/(expenditure)		225	(639)	351	(63)
Transfers between funds	16	(548)	548	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	49	-	49
Net movement in funds		(323)	(42)	351	(14)
Reconciliation of funds					
Total funds brought forward		422	(1,157)	1,162	427
Total funds carried forward		99	(1,199)	1,513	413

SACRED HEART OF MARY GIRLS' SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		2,340		1,503
Current assets					
Stocks	12	18		30	
Debtors	13	85		118	
Cash at bank and in hand		356		328	
		<u>459</u>		<u>476</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(278)		(298)	
Net current assets			181		178
Net assets excluding pension liability			2,521		1,681
Defined benefit pension scheme liability	18		(1,506)		(1,268)
Total net assets			<u>1,015</u>		<u>413</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			2,382		1,513
- Restricted income funds			-		69
- Pension reserve			(1,506)		(1,268)
Total restricted funds			<u>876</u>		<u>314</u>
Unrestricted income funds	16		139		99
Total funds			<u>1,015</u>		<u>413</u>

The accounts on pages 31 to 55 were approved by the Governors and authorised for issue on 15 December 2021 and are signed on their behalf by:

Mrs V Davin
Chair of Governors

Company Number 07693743

SACRED HEART OF MARY GIRLS' SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		84		(246)
Cash flows from investing activities					
Capital grants from DfE Group		843		391	
Purchase of tangible fixed assets		(899)		(381)	
Net cash (used in)/provided by investing activities			(56)		10
Net increase/(decrease) in cash and cash equivalents in the reporting period			28		(236)
Cash and cash equivalents at beginning of the year			328		564
Cash and cash equivalents at end of the year			356		328

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Sacred Heart Of Mary Girls' School is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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

1.1 Basis of preparation

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

Sacred Heart of Mary Girls' School meets the definition of a public benefit entity under FRS102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Donations

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

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

Interest receivable

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The Academy Trust occupies land and buildings at St Mary's Lane, Upminster which are owned by the Diocese of Brentwood. The Academy Trust occupies the land and buildings under a licence on the same basis as when it was a maintained school. The continuing permission of the Diocesan Trustees is pursuant to and subject to the Trustees' charitable objects and is part of the Church of England's commitment to provide state funded education in partnership with the state. Under the terms of an agreement between the Secretary of State and the Academy Trust the Diocesan Trustees will give the Academy Trust not less than two years' notice to terminate the occupation of the land and buildings. The Governors have concluded that the value of the land and buildings occupied by the Academy Trust should not be recognised in the balance sheet as the Diocese of Brentwood has the right to consent to works, including capital works. The Governors have therefore concluded that the Academy Trust does not have control as defined by the Academies Accounts Direction.

Moreover, the Governors have decided not to account for the Academy Trust's occupancy of the land and buildings by means of a notional annual rental charge in the accounts, offset by income from a notional annual donation or gift of equivalent value from the Diocesan Trustees as owners of the freehold interest. The Governors have been unable to identify any objective method for calculating such a notional rent.

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

Improvements to property	2% straight line
Assets under construction	Not depreciated until in use
Fixtures, fittings & equipment	20% straight line

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

1.6 Liabilities

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

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.7 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.8 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18 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

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Trip Income	39	-	39	8
Donated fixed assets	-	10	10	-
Capital grants	-	843	843	391
Other donations	45	20	65	86
	<u>84</u>	<u>873</u>	<u>957</u>	<u>485</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	4,237	4,237	4,018
Other DfE / ESFA grants:				
Pupil premium	-	70	70	81
Teachers pension grants	-	177	177	172
Teachers pay grants	-	63	63	61
Rates	-	54	54	28
Others	-	29	29	3
	<u>-</u>	<u>4,630</u>	<u>4,630</u>	<u>4,363</u>
Other government grants				
Local authority grants	-	65	65	76
	<u>-</u>	<u>65</u>	<u>65</u>	<u>76</u>
Exceptional government funding				
Coronavirus job retention scheme grant	-	13	13	30
Other Coronavirus funding	-	166	166	-
	<u>-</u>	<u>179</u>	<u>179</u>	<u>30</u>
Total funding	<u>-</u>	<u>4,874</u>	<u>4,874</u>	<u>4,469</u>

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

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

The academy furloughed some of its catering staff under the government's Coronavirus Job Retention Scheme. The funding received of £13k relates to staff costs in respect of eight members of staff (2020 - £30k in relation to 8 members of staff)

In addition, the academy received £48k of funding for catch-up premium and £77k for Covid workforce funding. Costs incurred in respect of this funding totalled £125k, no balance is carried forward.

The academy also received £41k for mass testing, which was fully spent.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	11	-	11	22
Catering income	106	-	106	180
Income from education and training	3	-	3	4
Sale of goods & services	60	-	60	78
Other income	41	-	41	77
	<u>221</u>	<u>-</u>	<u>221</u>	<u>361</u>

6 Expenditure

	Staff costs £	Non-pay expenditure		Total 2021 £	Total 2020 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	3,674	62	289	4,025	3,937
- Allocated support costs	828	247	282	1,357	1,441
	<u>4,502</u>	<u>309</u>	<u>571</u>	<u>5,382</u>	<u>5,378</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	10	9
- Other services	1	1
Depreciation of tangible fixed assets	62	40
Net interest on defined benefit pension liability	23	22
	<u>106</u>	<u>72</u>

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	-	4,025	4,025	3,937
Support costs				
Educational operations	120	1,237	1,357	1,441
	<u>120</u>	<u>5,262</u>	<u>5,382</u>	<u>5,378</u>
	<u><u>120</u></u>	<u><u>5,262</u></u>	<u><u>5,382</u></u>	<u><u>5,378</u></u>
Analysis of costs			2021	2020
			£	£
Direct costs				
Teaching and educational support staff costs			3,674	3,599
Depreciation			62	40
Technology costs			19	28
Educational supplies and services			114	98
Examination fees			80	90
Other direct costs			76	82
			<u>4,025</u>	<u>3,937</u>
			<u><u>4,025</u></u>	<u><u>3,937</u></u>
Support costs				
Support staff costs			828	778
Maintenance of premises and equipment			64	57
Cleaning			34	18
Energy costs			90	81
Rent, rates and other occupancy costs			33	34
Insurance			15	15
Security and transport			11	13
Catering			91	123
Finance costs			23	22
Other support costs			153	288
Governance costs			15	12
			<u>1,357</u>	<u>1,441</u>
			<u><u>1,357</u></u>	<u><u>1,441</u></u>

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Staff

Staff costs

Staff costs during the year were:

	2021	2020
	£	£
Wages and salaries	3,245	3,137
Social security costs	320	308
Pension costs	870	841
	<hr/>	<hr/>
Staff costs - employees	4,435	4,286
Agency staff costs	67	91
	<hr/>	<hr/>
Total staff expenditure	4,502	4,377
	<hr/> <hr/>	<hr/> <hr/>

Staff numbers

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

	2021	2020
	Number	Number
Teachers	56	55
Administration and support	53	55
Management	6	6
	<hr/>	<hr/>
	115	116
	<hr/> <hr/>	<hr/> <hr/>

Higher paid staff

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

	2021	2020
	Number	Number
£60,001 - £70,000	3	3
£70,001 - £80,000	1	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
	<hr/>	<hr/>

Key management personnel

The key management personnel of the academy trust comprise the Governors 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 trust was £561k (2020: £557k).

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Governors' remuneration and expenses

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

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

K O'Neill (Headteacher) (resigned 31 August 2020)
Remuneration £nil (2020: £105,001 - £110,000)
Employer's pension contributions £nil (2020: £25,001 - £30,000)

V Qurrey (Headteacher) (appointed 1 September 2020)
Remuneration £90,001 - £95,000
Employer's pension contributions £20,001 - £25,000

A Holman (Staff Governor):
Remuneration £55,001 - £60,000 (2020: £55,001 - £60,000)
Employer's pension contributions £10,001 - £15,000 (2020: £10,001 - £15,000)

K Jones (Staff Governor):
Remuneration £50,001 - £55,000 (2020: £45,001 - £50,000)
Employer's pension contributions £10,001 - £15,000 (2020: £15,001 - £20,000)

The other staff Governors listed above only received remuneration for their roles as members of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Body.

Governors' expenses

There were no governors' expenses paid for the year ended 31st August 2021 (2020: £ Nil)

10 Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

SACRED HEART OF MARY GIRLS' SCHOOL

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

11 Tangible fixed assets

	Improvements to property	Assets under construction	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	1,598	-	213	1,811
Additions	787	39	73	899
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	2,385	39	286	2,710
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 September 2020	148	-	160	308
Charge for the year	37	-	25	62
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	185	-	185	370
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 August 2021	2,200	39	101	2,340
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	1,450	-	53	1,503
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Academy Trust occupies land and the buildings provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Academy Trust occupies the land and buildings by a license that transfers to the Academy no rights or control over the site save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised or valued within fixed assets.

Additions within property improvements in the year include electrical and fire safety works as well as heating and distribution costs.

Assets under construction relate to initial professional fees for ongoing CIF works for heating and distribution and further electrical and fire maintenance projects.

12 Stocks

	2021 £	2020 £
Stock of school uniform	18	30
	<u> </u>	<u> </u>

13 Debtors

	2021 £	2020 £
VAT recoverable	61	2
Prepayments and accrued income	24	116
	<u> </u>	<u> </u>
	85	118
	<u> </u>	<u> </u>

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	82	79
Other creditors	122	101
Accruals and deferred income	74	118
	<u>278</u>	<u>298</u>
	<u><u>278</u></u>	<u><u>298</u></u>

15 Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	25	35
	<u>25</u>	<u>35</u>
Deferred income at 1 September 2020	35	53
Released from previous years	(35)	(53)
Resources deferred in the year	25	35
	<u>25</u>	<u>35</u>
Deferred income at 31 August 2021	<u><u>25</u></u>	<u><u>35</u></u>

Deferred income for the year relates to income received for school trips taking place in 2021/22.

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	-	4,237	(4,324)	87	-
Pupil premium	69	70	(139)	-	-
Teachers pension grants	-	177	(177)	-	-
Teachers pay grants	-	63	(63)	-	-
Rates	-	54	(54)	-	-
Other DfE / ESFA grants	-	29	(29)	-	-
Other government grants	-	65	(65)	-	-
Covid funding	-	179	(179)	-	-
Other restricted funds	-	20	-	(20)	-
Pension reserve	(1,268)	-	(170)	(68)	(1,506)
	<u>(1,199)</u>	<u>4,894</u>	<u>(5,200)</u>	<u>(1)</u>	<u>(1,506)</u>
Restricted fixed asset funds					
DfE group capital grants	10	843	-	(811)	42
General fixed assets	1,503	10	(62)	889	2,340
	<u>1,513</u>	<u>853</u>	<u>(62)</u>	<u>78</u>	<u>2,382</u>
Total restricted funds	<u>314</u>	<u>5,747</u>	<u>(5,262)</u>	<u>77</u>	<u>876</u>
Unrestricted funds					
General funds	99	305	(120)	(145)	139
	<u>413</u>	<u>6,052</u>	<u>(5,382)</u>	<u>(68)</u>	<u>1,015</u>

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

Pupil Premium, Teachers Pension Grants, Teachers Pay Grants, Rates: Income received from the ESFA as described.

Other DFE/ESFA grants: This includes money due for free school meals, tuition income and school conditioning funding.

Other government grants: This includes SEN funding, and additional pupil premium.

Covid funding: Amounts received from the ESFA for job retention scheme income as well Catch Up and Mass Testing.

The transfer of funds relate to the purchase of capital additions during the year.

SACRED HEART OF MARY GIRLS' SCHOOL

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

16 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	4,018	(4,305)	287	-
Pupil premium	-	81	(12)	-	69
Teachers pension grants	-	172	(172)	-	-
Teachers pay grants	-	61	(61)	-	-
Rates	-	28	(28)	-	-
Other DfE / ESFA grants	-	3	(3)	-	-
Other government grants	-	106	(106)	-	-
Other restricted funds	-	-	(261)	261	-
Pension reserve	(1,157)	-	(160)	49	(1,268)
	<u>(1,157)</u>	<u>4,469</u>	<u>(5,108)</u>	<u>597</u>	<u>(1,199)</u>
Restricted fixed asset funds					
DfE group capital grants	1,162	391	(40)	-	1,513
	<u>1,162</u>	<u>391</u>	<u>(40)</u>	<u>-</u>	<u>1,513</u>
Total restricted funds	<u>5</u>	<u>4,860</u>	<u>(5,148)</u>	<u>597</u>	<u>314</u>
Unrestricted funds					
General funds	422	455	(230)	(548)	99
	<u>422</u>	<u>455</u>	<u>(230)</u>	<u>(548)</u>	<u>99</u>
Total funds	<u>427</u>	<u>5,315</u>	<u>(5,378)</u>	<u>49</u>	<u>413</u>

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	2,340	2,340
Current assets	143	316	-	459
Creditors falling due within one year	18	(296)	-	(278)
Accruals and deferred income	(42)	-	42	-
Defined benefit pension liability	-	(1,506)	-	(1,506)
	<u>119</u>	<u>(1,486)</u>	<u>2,382</u>	<u>1,015</u>
Total net assets	<u>119</u>	<u>(1,486)</u>	<u>2,382</u>	<u>1,015</u>

SACRED HEART OF MARY GIRLS' SCHOOL

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

17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	1,503	1,503
Current assets	476	-	-	476
Creditors falling due within one year	(298)	-	-	(298)
Accruals and deferred income	(79)	69	10	-
Defined benefit pension liability	-	(1,268)	-	(1,268)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	99	(1,199)	1,513	413
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £86k were payable to the schemes at 31 August 2021 (2020: £84k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

SACRED HEART OF MARY GIRLS' SCHOOL

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

18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £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. The 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 the TPS in the period amounted to £549k (2020: £532k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23.68% for employers and 5.5 to 12.5% for employees.

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

Total contributions made	2021	2020
	£	£
Employer's contributions	181	169
Employees' contributions	44	40
	<hr/>	<hr/>
Total contributions	225	209
	<hr/>	<hr/>
Principal actuarial assumptions	2021	2020
	%	%
Rate of increase in salaries	3.6	3
Rate of increase for pensions in payment/inflation	2.9	2.3
Discount rate for scheme liabilities	1.65	1.7
	<hr/>	<hr/>

SACRED HEART OF MARY GIRLS' SCHOOL

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

18 Pension and similar obligations

(Continued)

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

	2021	2020
	Years	Years
Retiring today		
- Males	21.8	21.6
- Females	24.1	23.7
Retiring in 20 years		
- Males	22.9	22.4
- Females	25.9	25.2
	<u> </u>	<u> </u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021	2020
Discount - 0.5%	435	362
Salary increase rate +0.5%	15	13
Pension increase rate +0.5%	415	343
	<u> </u>	<u> </u>

Defined benefit pension scheme net liability

	2021	2020
	£	£
Scheme assets	3,371	2,711
Scheme obligations	(4,877)	(3,979)
	<u> </u>	<u> </u>
Net liability	(1,506)	(1,268)
	<u> </u>	<u> </u>

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

	2021	2020
	Fair value	Fair value
	£	£
Equities	1,753	1,220
Bonds	944	895
Cash	169	163
Property	505	433
	<u> </u>	<u> </u>
Total market value of assets	3,371	2,711
	<u> </u>	<u> </u>

The actual return on scheme assets was £506,000 (2020: £183,000).

SACRED HEART OF MARY GIRLS' SCHOOL

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

18 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2021	2020
	£	£
Current service cost	328	303
Past service cost	-	4
Interest income	(47)	(45)
Interest cost	70	67
	<u>351</u>	<u>329</u>
Changes in the present value of defined benefit obligations	2021	2020
	£	£
At 1 September 2020	3,979	3,589
Current service cost	328	303
Interest cost	70	67
Employee contributions	44	40
Actuarial loss	527	89
Benefits paid	(71)	(113)
Past service cost	-	4
	<u>4,877</u>	<u>3,979</u>
At 31 August 2021	<u>4,877</u>	<u>3,979</u>
Changes in the fair value of the academy trust's share of scheme assets	2021	2020
	£	£
At 1 September 2020	2,711	2,432
Interest income	47	45
Actuarial gain	459	138
Employer contributions	181	169
Employee contributions	44	40
Benefits paid	(71)	(113)
	<u>3,371</u>	<u>2,711</u>
At 31 August 2021	<u>3,371</u>	<u>2,711</u>

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	680	(63)
Adjusted for:		
Capital grants from DfE and other capital income	(853)	(391)
Defined benefit pension costs less contributions payable	147	138
Defined benefit pension scheme finance cost	23	22
Depreciation of tangible fixed assets	62	40
Decrease/(increase) in stocks	12	(10)
Decrease/(increase) in debtors	33	(54)
(Decrease)/increase in creditors	(20)	72
Net cash provided by/(used in) operating activities	84	(246)

20 Analysis of changes in net funds	1 September 2020	Cash flows	31 August 2021
	£	£	£
Cash	328	28	356

21 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Children, Schools and Families the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

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

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

As no such events have occurred during the year nor are likely to occur in the foreseeable future, the accounts do not contain any provision against contingent liabilities.

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Long-term commitments, including operating leases

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

	2021	2020
	£	£
Amounts due within one year	15	3
Amounts due in two and five years	44	-
	<u>59</u>	<u>3</u>

23 Capital commitments

	2021	2020
	£	£
Expenditure contracted for but not provided in the accounts	1,299	-
	<u>1,299</u>	<u>-</u>

As at 31st August 2021, the academy had capital commitments in relation to two ongoing CIF projects for critical fire safety upgrades and the second phase of electrical and fire safety improvement works.

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period:

A Governor, Mr Leech is also a director of Crusaiders First Aid. The academy trust obtained first aid training from Crusaiders First Aid in the year at a cost of £300 (2020 - £nil).

Mrs V Davin's daughter is employed by the Trust as a teacher. All appointments were made in open competition and Mrs Davin was not involved in the decision-making process regarding the appointment. The staff are paid within the normal salary scale for the roles they carry out and receive no special treatment as a result of their relationship to a Governor.

25 Members' liability

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

SACRED HEART OF MARY GIRLS' SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £9,951 (2020 - £8,088) and disbursed £6,192 (2020 - £4,697) from the fund. An amount of £7,150 (2020 - £3,391) is included in other creditors relating to undistributed funds that is repayable to the ESFA.