



St Alban's Catholic High School

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017

**Company Registration Number:
7902662 (England and Wales)**

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Reference and Administrative Details

Members	Bishop Alan Hope Father David Bagstaff East Anglia Roman Catholic Diocese Trustee Mr David Verney		
Trustees	Mr David Verney* - Chairman	Foundation	
*=members of the Infrastructure Committee	Dr Erica Joslyn - Vice Chair	Foundation	Resigned 31/08/2017
	Fr John Warrington	Foundation	
	Mr Martin Woor*	Foundation	
	Mr Priya Nainthy	Foundation	Resigned 30/11/2017
	Mrs Geraldine Lofthouse	Foundation	Resigned 10/09/2017
	Mrs Joanna McCall – Vice Chair	Foundation	Appointed Vice Chair 18/09/2017
	Mr Duncan Spencer *	Community	
	Mr Jason Horne	Staff	
	Mrs Shannon Mesplie-Cowan	Parent	
	Mrs Lisa Weichert	Parent	
	Mrs Elizabeth Kent	Parent	Resigned 10/11/2017
	Mr Colin Walker*	Ex- Officio	Resigned 29/10/2017
	Mrs Jill Sandvig*	Foundation	Appointed 01/11/2016
	Mrs Rita Jenner	Foundation	Appointed 01/11/2016
	Mr Stephen Tidball	Foundation	Appointed 01/11/2016
	Mrs Anne Cleary	Foundation	Appointed 01/09/2017
	Mr Sean Hayes*	Ex-Officio	Appointed 30/10/2017
Senior Managers			
Executive Head teacher interim Principal	Mr Sean Hayes	Appointed 30/10/2017	
Deputy Principal	Mr Colin Walker	Resigned 29/10/2017	
Deputy Principal	Ms Clare Sullivan	Resigned 31/08/2017	
Assistant Principal	Mr Simon Corless	Appointed 05/06/2017	
Assistant Principal	Mrs Laura Lawrence	Maternity Leave 17/10/2016 - 02/07/2017	
Assistant Principal	Sarah Morris	Maternity Leave from 01/11/2016	
Acting Assistant Principal	Mr Jason Horne	Maternity Leave Cover from 01/11/2016	
Acting Assistant Principal	Mr Aiden Roche	Maternity Leave Cover 17/10/2016 – 02/07/2017	
Business Manager (Director of Finance)	Mr Seán Salter		
Finance Manager	Mrs Jennifer Hunwicke		
Registered Office	St Alban's Catholic High School Digby Road Ipswich IP4 3NJ		
Company Registration Number	7902662		
Auditors	Ensors Accountants LLP Cardinal House 46 St Nicholas Street Ipswich IP1 1TT		
Bankers	Lloyds Cornhill Ipswich IP1 1AQ		

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017.

The financial statements have been prepared in accordance with the accounting policies on pages 26-30 of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, the requirements of the Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102), the Charities SORP 2015 (SORP 2015) and the Academies Accounts Direction 2016-2017.

Structure, Governance and Management

Constitution

The Academy 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.

The Trustees are responsible for the charitable activities of St. Alban's Catholic High School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as St. Alban's Catholic High School.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

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.

Trustees' Indemnities

The Academy has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business.

Method of Recruitment and Appointment or Election of Trustees

The management of the company is the responsibility of the Trustees who are appointed under the terms of the Articles of Association.

Trustees are subject to retirement after a term of 4 years. After the term they are eligible for re-appointment.

The Diocesan Bishop may appoint 10 Foundation Trustees one of whom shall be a member of the Roman Catholic clergy.

The Governing Body may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the Academy does not exceed one third of the total number of Trustees and Article 58A of the Memorandum and Articles of Association.

The Governing Body may appoint one Community Trustee provided that the total number of Community Trustees, Staff Trustees, the Principal and Parent Trustees does not exceed the number of Foundation Trustees plus two.

The Principal or Executive Headteacher shall be treated for all purposes as being an ex officio Trustee.

The Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent or carer of a pupil at the Academy at the time when he is elected.

Trustees' Report (continued)

The number of Parent Trustees required shall be made up by Parent Trustees appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Trustees, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Trustees which is contested shall be held by secret ballot.

The arrangements made for the election of a Parent Trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy by a registered pupil at the Academy.

Where a vacancy for a Parent Trustee is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent or carer of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

In appointing a Parent Trustee the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent or carer of a child of compulsory school age.

The Staff Trustees shall be elected by a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Principal). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Trustees. If a Staff Trustee ceases to work at the Academy then he shall be deemed to have resigned and shall cease to be a Trustee automatically on termination of his work at the Academy. Any election of a Staff Trustee which is contested shall be held by secret ballot.

Co-Opted Trustees

The Trustees may appoint up to 3 Co-opted Trustees provided that if any such Trustees are appointed the number of Foundation Trustees shall increase proportionately to ensure that a majority of Trustees plus 2 are Foundation Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy would exceed one third of the total number of Trustees (including the Principal).

Appointment of Additional Trustees

The Secretary of State may give a warning notice to the Trustees and the Diocesan Bishop where he is satisfied:

- that the standards of performance of pupils at the Academy are unacceptably low, or
- that there has been a serious breakdown in the way the Academy is managed or governed, or
- that the safety of pupils or staff of the Academy is threatened (whether by a breakdown of discipline or otherwise).

Policies & Procedures Adopted for the Induction and Training of Trustees

All new Trustees are given a tour of the Academy and the chance to meet with staff and students. All Trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The management structure consists of three levels; the Trustees, Governing Body Committees and the Senior Leadership Team.

Trustees' Report (continued)

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and staff appointments. Committees of the Governing body have delegated responsibilities. Committees exist for; Strategy, Infrastructure, Pupils, Staff and Salaries. The Governing Body has no involvement in the day-to-day management of the Academy.

In 2016-17 the Senior Leadership Team consisted of the Principal, Deputy Principal, two Assistant Principals and the Business Manager (Director of Finance). From October 2017 the Executive Headteacher joined the Senior Leadership Team following the resignation of the Principal. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. The Executive Headteacher has taken over the role of Accounting Officer until Easter 2018, by this time the school will have hoped to appoint a permanent Headteacher.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The key management personnel of the Academy comprises of the Trustees and the Senior Leadership Team. Trustees are not remunerated for their services as a trustee. The Trustees operate a whole school policy to setting pay and remuneration based upon the School Teachers' Pay and Conditions document, and for support staff the Local Government Service Pay Scales.

Connected Organisations, including Related Party Relationships

As a Catholic faith school the Academy conducts its education business in accordance with the principles of the Catholic Church and has regard to any advice and directives issued by the Diocesan Bishop (Diocese of East Anglia). As such the Diocesan Bishop is a member of the Academy.

St. Alban's Catholic High School also has links with three Catholic Primary Schools in Ipswich which form part of a school pyramid. Staff expertise is occasionally shared, but there is no specific financial or legal connection.

Objectives and Activities

Objects and Aims

The Academy's object is specifically restricted to the following:

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

Objectives, Strategies and Activities

In 2016-17 the School Improvement Plan identified clear targets and strategies that underpin the main aims of the Academy. In conjunction with the school's Senior Leadership Team, the Trustees' Strategy group identified broad objectives which enable the achievement of the improvement plan:

School overview and Catholicity Ethos:

To focus the school community's stakeholders - from pupils to Governors - on the Catholic mission of the school. To foster a feeling of understanding and conscious decision making to both appreciate the mission of the church and support its demands on the community's time, resources and effort. To embed the philosophy of '*Learning, Respecting and Caring*'.

In-year progress has included:

- set up regular whole staff INSET on Catholic identity and ethos
- ensured SMSC, Prevent and British Values are well promoted and evident around school
- including sessions of cyber safety relating to radicalization
- reviewed the compulsory eBacc policy

Trustees' Report (continued)**Pupil Outcomes:**

The role of the school is to educate; one of the measures of this is pupils' performance in public exams. These outcomes are directly influenced by the performance of staff and specifically their ability to drive learning through high quality teaching. They are also a key measure of school effectiveness.

In-year progress has included:

- evaluated the success of GCSE and Science
- identified pupils with an under-performing Progress 8 score
- started master classes earlier in the term
- introduced GCSE pod learning platform for Year 11
- informed Year 10 parents of changes to GCSEs
- developed transition between primary and year 7 in addition Year 11 to Sixth Form
- Identified Year 7s at risk of underachievement.

Quality of Teaching, Learning and Assessment:

To ensure that the school works to evolve assessment processes and subsequent reporting to parents to drive up their understanding of how best to work with school to maximise outcomes. To work towards a partnership with parents and carers that recognises genuine joint enterprise.

In-year progress has included:

- developed work scrutiny meetings
- embedded Head of Department moderation and marking checks
- developed Assessment without Levels progress ladders for each subject
- implemented a new eschools learning platform
- delivered GCSE master classes for Year 11.

Personal Development, Behaviour and Welfare:

Increase the student's responsibility for self, for learning and behaviour, in part, by giving the student more control over them. Promote physical, mental, and emotional health and well being

In-year progress has included:

- analysed Pupil Premium exclusion data and reported to Governors
- staff attended 'mental health' courses, developed intervention strategies for EHCP pupils
- completed the national 'Citizenship' award
- continued to develop our links with local employers
- developed an 'employability log' for students.

Effectiveness/Capacity: Leadership and Management:

Consolidate the Senior Leadership Team roles and to improve the progress 8 score of 'uppers'

In-year progress has included:

- embedded new GCSE and A Level courses
- developed a new book scrutiny process
- developed an assessment without levels process
- inducted a new Head of Department for Religious Education
- embedded new Governing Body systems
- developed links between aspects of Careers Information, Advice and Guidance (CIAG)

School Infrastructure:

The school will look to develop the Academy's facilities to ensure they are fit for purpose, optimise income and monitor financial spend closely relative to the Government Annual Grant.

In-year progress has included:

- review of staffing costs
- introduced a whole school approach to Zero Based Budgeting
- developed and embedded a review to work process to monitor absence and trends
- expanded the Premises 'Rolling Programme' to including additional school fittings
- actively developed non waste schemes for the School's ICT infrastructure

Trustees' Report (continued)

Public Benefit

The Academy has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission as per Charities SORP Appendix 1: Glossary of terms:

“an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members”

St. Alban's is a mixed secondary school with Sixth Form, in total there are just over 1,000 pupils. St. Alban's is the only Catholic High School in the Ipswich area. It has to be said at the outset that Christian schools are different. The best schools, in our view, are the ones in which the environment of the school is permeated by Gospel values, a dedication to the teaching of Jesus Christ and a love of one's neighbour. All of us who work at St. Alban's are aware of these distinguishing features, and also identify as people who put these ideas of learning, respecting and caring into practice. St. Alban's therefore sees itself as a community, helping parents and parishes to develop the whole life of the young people in its care.

The School has a good academic tradition achieving very impressive results in external examinations. The proportion of St. Alban's pupils progressing to A-level and other courses after the age of 16 years is significantly above the Suffolk county average. Many also go on to universities or colleges of further education. Those pupils less suited to academic studies also make great progress and benefit from a well-devised programme of support.

We have a pleasant balance between more experienced staff and newly qualified teachers who have just trained in the most up-to-date ideas and philosophies in education. There are over 70 teachers at St. Alban's and we feel that there is a good balance of age and experience. We remain fully staffed with quality teachers, all highly qualified in their specialist subjects despite the difficulties of attracting teachers in the South East of England.

St. Alban's enjoys a good reputation with parents and their children and this is reflected in the number of applications we receive each year. The School attracts a high level of parental support and we offer a wide range of extra-curricular activities, with a large number of after-school and lunchtime clubs. All major sports are covered with our football, basketball and netball teams all achieving regional successes. In addition to sports we offer a diverse range of clubs from music through to gardening in our own school allotment.

Strategic Report

Achievements and Performance

The Academy is an oversubscribed Catholic faith school, taking students from the ages of 11 to 18. There are just over 1,000 students on roll. The three tenets of learning, respecting and caring underpin everything that the school does. A summary of our GCSE and A Level results are below:

GCSE (Year 11) 2012 – 2017 % of pupils gaining 4+ in English and Mathematics (Previous years A*-C)

2012-2013	73%
2013-2014	71%
2014-2015	69%
2015-2016	66%
2016-2017	67%

A Level 2012 - 2017 pass rate

2012-2013	99%
2013-2014	99%
2014-2015	99%
2015-2016	99%
2016-2017	100%

Trustees' Report (continued)**Key Financial Performance Indicators**

The total number of students funded in the year ended 31 August 2017 numbered 986 (including 154 in Sixth Form). The Published Admission Number is 168.

The Academy continues to be oversubscribed in years 7 to 11 however numbers in our Sixth Form have decreased by approximately 10%.

The school continues to focus on reducing pupil absenteeism. The percentage of student sessions (half days) missed through authorised absence is 3.24% (National average 3.8%). The percentage of student sessions (half days) missed through unauthorised absence is 0.9% (National average 1.3%)

Going Concern

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

Per the Statement of Financial Activities the Academy has a deficit on restricted general reserves of £553,455. This deficit is due to the pension reserve liability of £897,000, which is payable out of future annual income and therefore does not cause any issues for the going concern of the Academy.

Financial Review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the ESFA during the year ended 31st August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy has also been in receipt of capital grants from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), 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 of the assets concerned.

During the year ended 31st August 2017, total expenditure of £5,633,526 was not covered by recurrent grant funding from the ESFA together with other incoming resources. The shortfall of income over expenditure for the year was £45,861, however excluding restricted fixed asset depreciation, income exceeded expenditure by £37,948.

At 31st August 2017 the net book value of fixed assets was £301,291 and movements in fixed assets are shown within note 11 and note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy. Tangible fixed assets have been restated during the year to remove the land and buildings owned by the East Anglian Roman Catholic Diocese as explained further within note 25 of the accounts.

In accordance with FRS102, the Academy received an actuarial assessment of its pension scheme deficit. The deficit balance of £897,000 is included within the balance sheet as at 31st August 2017 and supporting note 22 to the accounts.

As at 31st August 2017 the total funds available were £468,010 of which, £314,071 was available for the general purposes of the Academy Trust.

The Academy Trust held restricted general funds (excluding pension reserves) of £343,545 and unrestricted funds of £697,692 providing a net surplus of £1,041,237 as at the 31st August 2017.

Reserves Policy

St Alban's Catholic High School receives the majority of its restricted income from the Department for Education via the Education and Skills Funding Agency (ESFA) as per its Funding Agreement. The value of this income is calculated through the local funding formula and is based on student numbers from the October census for the General Annual Grant (GAG) and January census for Pupil Premium. Other restricted income is

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also usually received based on student need (ie. High needs top up funding). Funding is received separately for the main school (years 7-11) and the sixth form (years 12-13). GAG is paid monthly in equal twelfths and funding levels are known 6 months in advance of receipt.

The restricted fixed asset fund derives from items gifted upon the schools conversion and capital income from the DfE via the ESFA. The balance on this fund must always equal or exceed the netbook value of the items purchased plus any unspent grants from the DfE. Only in exceptional circumstances with the express approval from the governing body should future year's capital funding from the DfE be spent and a detailed plan to repay this into the fund should be devised and monitored by the Finance Manager and governing body.

The unrestricted fund is made up of income from a variety of sources which may be from lettings, donations or sales.

The main priority for governors is to ensure the school can continue to deliver an outstanding level of education to its students and support its employees through any periods of change.

To avoid a reduction in the quality of education being received by students the governing body has agreed to keep a certain level of financial reserves to ensure that the main operations can continue for a period of 1 month. This would allow the Academy sufficient cashflow and time to continue operating with minimal impact to students whilst a solution is being sought. As changes in GAG funding levels are known 6 months in advance this will also give sufficient time for any major adjustments to be made.

The known rate of GAG should be sufficient to cover the running expenses of the Academy. Where unforeseen or investment costs occur, which means costs exceed GAG, this should be highlighted to governors and any GAG reserves used in the first instance with a plan to reduce the expenditure accordingly to within the GAG funding limits for future periods.

The reserves should be built up from the unrestricted income. The GAG and other restricted income is received to be spent on the current students generating that income. Therefore, a positive balance should be maintained within these funds and used to support with developing the school and its facilities for students currently at St Alban's Catholic High School and for those in the future.

The reserves value has been calculated based on average monthly staffing costs plus averages of premises occupancy costs and other supplies and services costs.

The minimum level of unrestricted reserves should therefore be £395,500

The level of reserves should be calculated and monitored every term by the Infrastructure Committee and on a bi-monthly basis by the Finance Manager.

Investment Policy

Academy balances are held within an appointed bank with proven experience in managing academy bank accounts and funds. The appointed bank must also have satisfactory credit ratings and this will be monitored by Trustees on an on-going basis. The Infrastructure Committee has approved that short-term low-risk investments are made when the Academy bank balance allows.

This policy should be reviewed yearly and whenever there are significant changes in staff hours, pupil/staff numbers or interest rates.

Principal Risks and Uncertainties

The Academy Trust has identified a number of risks and included them as part of the approved risk register. This is reviewed and reported on annually by Trustees.

As an Academy School, the level of financial risk is no greater or smaller than a maintained school. The funding is based on the same national formulae. Budgets are approved by the Infrastructure Committee and performance against budgets reported on 3 times a year. In the review period the level of financial risk is not considered great.

The Academy continues to have concerns about National Funding levels for schools in the light of ever increasing costs. Looking forward to 2017/18 and beyond, we will continue to closely monitor and assess the

Trustees' Report (continued)

decisions made at Government level that will impact our funding levels. The Academy continues to explore every opportunity to reduce costs and maximise the Academy's income.

The valuation of our Local Government Pension Scheme is undertaken by our actuary (Hymans Robertson) and as at 31 August 2017 showed a deficit balance of £897,000. This deficit is subject to periodic actuarial review and is regularly monitored by the Trustees.

Plan for Future Periods

In October 2017 the school was judged as 'Requires Improvement' by Ofsted. The school's key focus for 2017-18 is to implement the Ofsted improvements to allow the school to regain its 'good' Ofsted rating.

The Academy will continue to scrutinise its funding levels carefully. Medium term planning has been undertaken and this has highlighted areas of focus in 2017/18 and beyond. Governors have set up a Finance sub-committee to develop a strategy to reduce overall costs. The Academy will continue to monitor developments and information carefully in this regard and review plans accordingly when able to do so.

The Academy will improve the academic attainment of its students, helping to ensure they achieve jobs or appropriate places in higher education when they leave. The Academy must ensure recruitment in the main school is maintained and that there is a drive to increase Sixth Form numbers.

The Academy's Premises' Rolling Programme has highlighted areas of improvement around the school. This will form the basis for registering future interests to the Condition Improvement Fund.

Auditor

Insofar as the Trustees are aware:

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

The auditors, Ensors Accountants LLP are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Approved by order of the members of the Governing Body on 4th December 2017 and signed on its behalf by:

David Verney
Trustee

4th December 2017

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St. Albans Catholic High 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 trustees has delegated the day to day responsibility to the principal, 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 St. Albans Catholic High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustee's Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr David Verney	4	4
Dr Erica Joslyn	3	4
Fr John Warrington	3	4
Mr Martin Woor	3	4
Mr Priya Nainthy	2	4
Mrs Geraldine Lofthouse	2	4
Mrs Joanna McCall	4	4
Mr Duncan Spencer	3	4
Mr Jason Horne	4	4
Mrs Shannon Mesplie-Cowan	3	4
Mrs Lisa Weichert	3	4
Mrs Elizabeth Kent	3	4
Mr Colin Walker	4	4
Mrs Jill Sandvig	2	3
Mrs Rita Jenner	3	3
Mr Stephen John Tidball	2	3

Mrs Joanna McCall took over as Vice Chair in September 2017. There were no other key changes in the composition of the Board of Trustees.

The Infrastructure Committee is a sub-committee of the main board of trustees. Its purpose is to monitor and approve the Academy Trust budgets, finance and premises policies, assess the overall exposure to financial and premises related risk and make strategic decisions related to these. The Infrastructure Committee also fulfils the function of the audit committee.

During the year Jill Sandvig, who is a primary school head teacher joined the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr David Verney	3	3
Mr Martin Woor	2	3
Mr Duncan Spencer	2	3
Mr Colin Walker	3	3
Mrs Jill Sandvig	2	3

Review of Value for Money

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

Governance Statement (continued)

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by introducing a whole-school approach to Zero Based Budgeting, cancelling an underperforming service contract, reducing support staff costs, developing non-waste schemes for the school's ICT infrastructure.

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 St Alban's Catholic High School for the period 1st September 2016 to 31st August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2016 to 31st August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Schools' Choice to undertake an internal audit support service, with a Trustee acting as a reporting link to the governing body.

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

Payroll, Purchasing, Petty Cash, Income Controls, Monitoring & Review, Governance, Planning Cycle and Budget, Inventory & Security, Tax, Data Security, Insurance

On a termly basis, following the reviews from Schools' Choice, the trustee representative reports to the board of trustees through the infrastructure committee and full governing body on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

During the period ending 31st August 2017, Schools' Choice has delivered their schedule as planned and no material control issues arose as the result of their review.

Governance Statement (continued)

Review of Effectiveness

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

- the work of the responsible officer (trustee representative)
- the work of the external auditor
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Infrastructure Committee and has addressed the actions within the action plan and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 4th December 2017 and signed on its behalf by:

David Verney
Chair of Trustees

Sean Hayes
Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer of St Alban's Catholic High School I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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

Sean Hayes
Accounting Officer

4th December 2017

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academy Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by the order of the members of the board of trustees on 4th December 2017 and signed on its behalf by:

David Verney
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of St. Albans Catholic High School

Opinion

We have audited the financial statements of St Alban's Catholic High School (the 'Academy Trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent Auditor's Report to the Members of St Alban's Catholic High School (continued)**Other information**

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy 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 trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of St Alban's Catholic High School (continued)

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Ensors Accountants LLP
Cardinal House
46 St Nicholas Street
Ipswich
IP1 1TT

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Helen Rumsey (Senior Statutory Auditor)

For and on behalf of Ensors Accountants LLP, Statutory Auditor

Date:.....

Independent Reporting Accountant's Assurance Report on Regularity to St Alban's Catholic High School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 19 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Alban's Catholic High School during the period 01 September 2016 to 31 August 2017 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 St Alban's Catholic High School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Alban's Catholic High 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 St Alban's Catholic High School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St Alban's Catholic High School accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Alban's Catholic High School funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 01 September 2016 to 31 August 2017 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 Academies Accounts Direction 2016 to 2017 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.

The work undertaken to draw our conclusions includes:

- Enquiry of senior management and the academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.

Independent Reporting Accountant's Assurance Report on Regularity to St Alban's Catholic High School and the Education and Skills Funding Agency (continued)

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 01 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Ensors Accountants LLP
Cardinal House
46 St Nicholas Street
Ipswich
IP1 1TT

Date.....

**Statement of Financial Activities for the period ended 31 August 2017
(including Income and Expenditure Account)**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 as restated £
Income and endowments from:						
Donations and capital grants	2	5,771	27,500	22,574	55,845	37,421
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	5,121	5,412,291	-	5,417,412	5,232,304
Other trading activities	4	111,586	-	-	111,586	135,895
Investments	5	2,822	-	-	2,822	3,569
Total		125,300	5,439,791	22,574	5,587,665	5,409,189
Expenditure on:						
Raising Funds	6	18,420	-	-	18,420	6,648
<i>Charitable activities:</i>						
Academy trust educational operations	7	29,806	5,501,491	83,809	5,615,106	5,381,467
Total		48,226	5,501,491	83,809	5,633,526	5,388,115
Net income / (expenditure)		77,074	(61,700)	(61,235)	(45,861)	21,074
Transfers between funds	15	-	(42,125)	42,125	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	15, 22	-	861,000	-	861,000	(669,000)
Net movement in funds		77,074	757,175	(19,110)	815,139	(647,926)
Reconciliation of funds						
Total funds brought forward at 1 September 2016	15	620,618	(1,310,630)	13,041,348	12,351,336	300,797
Prior year adjustments/Change of accounting policy	25	-	-	(12,698,465)	(12,698,465)	-
Total funds brought forward at 1 September 2016 as restated		620,618	(1,310,630)	342,883	(347,129)	-
Funds carried forward at 31 August 2017	15	697,692	(553,455)	323,773	468,010	(347,129)

All of the academy's activities derive from continuing operations during the current financial period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

**Statement of Financial Activities for the period ended 31 August 2016
(including Income and Expenditure Account) showing comparatives by fund**

	Unrestricted Funds £	Restricted General Funds as restated £	Restricted Fixed Asset Funds as restated £	Total 2016 as restated £
Income and endowments from:				
Donations and capital grants	5,038	10,000	22,383	37,421
<i>Charitable activities:</i>				
Funding for the academy trust's educational operations	12,922	5,219,382	-	5,232,304
Other trading activities	121,050	13,500	1,345	135,895
Investments	3,569	-	-	3,569
Total income and endowments	<u>142,579</u>	<u>5,242,882</u>	<u>23,728</u>	<u>5,409,189</u>
Expenditure on:				
Raising Funds	6,648	-	-	6,648
<i>Charitable activities:</i>				
Academy trust educational operations	56,871	5,227,350	97,246	5,381,467
Total expenditure	<u>63,519</u>	<u>5,227,350</u>	<u>97,246</u>	<u>5,388,115</u>
Net income / (expenditure)	79,060	15,532	(73,518)	21,074
Transfers between funds	-	(20,440)	20,440	-
Other recognised gains / (losses):				
Actuarial (losses) / gains on defined benefit pension schemes	-	(669,000)	-	(669,000)
Net movement in funds	<u>79,060</u>	<u>(673,908)</u>	<u>(53,078)</u>	<u>(647,926)</u>
Reconciliation of funds				
Total funds brought forward at 1 September 2015 as restated	541,558	(636,722)	395,961	300,797
Funds carried forward at 31 August 2016	<u>620,618</u>	<u>(1,310,630)</u>	<u>342,883</u>	<u>(347,129)</u>

All of the academy's activities derive from continuing operations during the current financial period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Balance Sheet as at 31 August 2017**Balance Sheet**

	Notes	2017 £	2016 as restated £
Fixed Assets			
Intangible assets	11	8,327	13,283
Tangible assets	12	<u>292,964</u>	<u>298,222</u>
		<u>301,291</u>	<u>311,505</u>
Current assets			
Debtors	13	186,870	167,176
Cash at bank and in hand		<u>1,347,088</u>	<u>1,098,362</u>
		<u>1,533,958</u>	<u>1,265,538</u>
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(470,239)</u>	<u>(294,172)</u>
Net current assets		<u>1,063,719</u>	<u>971,366</u>
Total assets less current liabilities		<u>1,365,010</u>	<u>1,282,871</u>
Net assets excluding pension liability		<u>1,365,010</u>	<u>1,282,871</u>
Defined benefit pension scheme liability	22	(897,000)	(1,630,000)
Total net assets		<u>468,010</u>	<u>(347,129)</u>
Funds of the academy trust:			
Restricted funds			
- Fixed asset fund	15	323,773	342,883
- Restricted income fund	15	343,545	319,370
- Pension reserve	15	(897,000)	(1,630,000)
Total restricted funds		<u>(229,682)</u>	<u>(967,747)</u>
Unrestricted income funds	15	697,692	620,618
Total unrestricted funds		<u>697,692</u>	<u>620,618</u>
Total funds		<u>468,010</u>	<u>(347,129)</u>

The financial statements on pages 22 to 44 were approved by the trustees, and authorised for issue on 4th December 2017 and are signed on their behalf by:

David Verney
Chair of Trustees

Statement of Cash Flows for the period ended 31 August 2017**Cashflow**

	Notes	2017 £	2016 <i>as restated</i> £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	18	275,614	31,841
Cash flows from investing activities			
	18	(26,888)	(28,715)
Change in cash and cash equivalents in the reporting period		<u>248,726</u>	<u>3,126</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 01 September 2016	20	1,098,362	1,095,236
Cash and cash equivalents at 31 August 2017		<u>1,347,088</u>	<u>1,098,362</u>

Notes to the Financial Statements for the Year Ended 31 August 2017

1. Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

St. Albans Catholic High School Academy Trust meets the definition of a public benefit entity under FRS 102.

The Trustees have amended their fixed asset accounting policy to comply with the guidance within the Academies Accounts Direction 2016 to 2017 relating to land and buildings owned by the East Anglian Roman Catholic Diocesan Trust occupied by the Academy. This has been accounted for as a prior year adjustment, further details are included within note 25.

Going Concern

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

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 no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance related conditions) where the receipt is probable and the amount can be measured reliably.

- **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.

Notes to the Financial Statements for the Year Ended 31 August 2017

1. Statement of 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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.
- **Donated fixed assets (excluding Transfers on conversion/into trust)**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

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 are attributable to a single activity and are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the proportion of the asset's use.

- **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.

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible 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:

Purchased computer software	33%
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Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the required 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.

Notes to the Financial Statements for the Year Ended 31 August 2017

1. Statement of Accounting Policies (continued)

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:

- Leasehold Land & Buildings 2%
- Fixtures, fittings & equipment 10%
- Plant & Machinery 20%
- Computer hardware 20% -33%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Liabilities

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

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

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 part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Notes to the Financial Statements for the Year Ended 31 August 2017**1. Statement of Accounting Policies (continued)****Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit asset/liability 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 scheme assets and the actual return on scheme assets is recognised in other recognised gains and losses.

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

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 Trustees.

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact the carrying amount of the pension liability.

Notes to the Financial Statements for the Year Ended 31 August 2017**1. Statement of Accounting Policies (continued)****Critical areas of judgement**

The legal owner of the school premises (excluding the playing fields) is the East Anglian Roman Catholic Diocesan Trust and the Academy Trust occupies the premises by way of a supplementary use agreement. The Trustees have exercised judgment to conclude that control remains with the East Anglian Roman Catholic Diocesan Trust and not the Academy Trust and therefore the land and buildings are not shown on the Academy Trust's Balance Sheet.

In relation to the use of the above premises the Trustees do not feel a notional rent expense and a notional donation can be reliably measured and therefore this has not been recognised within the accounts.

Agency Arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 24.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**2 Donations and Capital Grants**

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Capital Grants				
Devolved Formula Capital	-	22,574	22,574	22,383
Other Revenue Donations				
Diocese of East Anglia	-	21,000	21,000	4,000
The Ropes Trust	-	6,500	6,500	6,000
The Friends of St Albans	3,251	-	3,251	3,348
Other Donations	2,520	-	2,520	1,690
	5,771	50,074	55,845	37,421

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
DfE/ESFA Revenue Grants				
General Annual Grant	-	4,842,853	4,842,853	4,731,153
Other DfE/ESFA Grants	-	-	-	-
Pupil Premium	-	161,204	161,204	198,980
Rates Relief	-	24,983	24,983	9,434
Year 7 Catch Up	-	6,000	6,000	6,000
Condition Improvement Fund	-	143,879	143,879	101,556
	-	5,178,919	5,178,919	5,047,123
Other Government Grants				
High Needs Tariff	-	49,503	49,503	37,083
Children in Care (CIC)	-	11,728	11,728	11,520
SCITT	-	950	950	600
EPQ STEM	-	-	-	11,750
Teach First	-	2,600	2,600	-
	-	64,781	64,781	60,953
Other income from the Academy Trust's educational operations				
Academy Trips	5,121	168,591	173,712	124,228
	5,121	5,412,291	5,417,412	5,232,304

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**4 Other Trading Activities**

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Hire of Facilities	43,181	-	43,181	41,291
Items Sold	20,373	-	20,373	12,506
Sale of Fixed Assets	-	-	-	1,345
Insurance Claims	4,070	-	4,070	1,203
Exam Fees Income	4,423	-	4,423	7,932
ICT Technician	-	-	-	5,250
Fundraising	103	-	103	-
Income from Services Provided	6,968	-	6,968	27,129
NEI Partnership	3,091	-	3,091	13,500
Music Tuition	17,223	-	17,223	17,466
Technology Support	4,130	-	4,130	4,088
Educational Materials	5,604	-	5,604	4,185
Alpha Guardians	2,420	-	2,420	-
	111,586	-	111,586	135,895

5 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
	£	£	£	£
Bank Interest	2,822	-	2,822	3,569
	2,822	-	2,822	3,569

6 Expenditure

	Non Pay Expenditure			Total 2017	Total 2016 as restated
	Staff Costs	Premises	Other	£	£
	£	£	£		
Expenditure on raising funds	-	-	18,420	18,420	6,648
Academy's educational operations					
• Direct Costs	3,667,216	58,725	447,423	4,173,364	4,074,490
• Allocated Support Costs	704,373	492,283	245,086	1,441,742	1,306,977
	4,371,589	551,008	710,929	5,633,526	5,388,115

Net Income/(expenditure) for the period includes:

	2017	2016 as restated
	£	£
Operating lease rentals	6,376	7,313
Depreciation	78,853	87,844
(Gain)/Loss on disposal of fixed assets	-	(1,345)
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	4,956	9,402
Fees payable to auditor for:		
- audit	6,750	6,560
- other services	4,125	2,610

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**6 Expenditure (continued)**

Included within expenditure are the following transactions.

	Total £
Gifts made by the trust	283
Unrecoverable debts	26

7 Charitable Activities

	Total 2017 £	Total 2016 As restated £
Direct costs - educational operations	4,173,364	4,074,491
Support costs - educational operations	1,441,742	1,306,976
	<u>5,615,106</u>	<u>5,381,467</u>

	Educational Operations £	Total 2017 £	Total 2016 As restated £
Analysis of support costs			
Support staff costs	694,061	694,061	713,485
Depreciation	25,084	25,084	-
Technology costs	30,057	30,057	28,652
Premises costs	492,283	492,283	387,353
Other support costs	176,906	176,906	157,785
Governance costs	23,351	23,351	19,701
Total support costs	<u>1,441,742</u>	<u>1,441,742</u>	<u>1,306,976</u>

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**8 Staff**

	Total 2017	Total 2016
a. Staff costs		
Staff costs during the period were:	£	£
Wages and salaries	3,255,758	3,389,099
Social security costs	311,553	278,768
Operating costs of defined benefit pension schemes	652,449	590,139
Apprenticeship Levy	570	-
	<u>4,220,330</u>	<u>4,258,006</u>
Supply staff costs	151,259	96,728
Staff restructuring costs	-	1,750
	<u>4,371,589</u>	<u>4,356,484</u>

Staff restructuring costs comprise:

Severance payments	-	1,750
	<u>-</u>	<u>1,750</u>

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £nil (2016: £1,750).

c. Staff numbers

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

	2017 No.	2016 No
Teachers	66	60
Administration and support	53	61
Management	5	6
	<u>124</u>	<u>127</u>

d. Higher paid staff

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

	2017 No.	2016 No
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 3. The total amount of employee benefits (including National Insurance and employer pension contributions) received by key management personnel for their services to the Academy Trust was £468,796 (2016:£575,436)

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**9 Related Party Transactions - Trustees' Remuneration and Expenses**

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

The value of trustees' remuneration was as follows:

C Walker (principal and trustee):

Remuneration £85,000 - £90,000 (2016: £85,000 - £90,000)

Employers pension contributions £10,000 - £15,000 (2016: £10,000 - £15,000)

J Horne (staff trustee):

Remuneration £50,000 - £55,000 (2016: £45,000 - £50,000)

Employers pension contributions £5,000 - £10,000 (2016: £5,000- £10,000)

During the period ended 31 August 2017, travel and subsistence expenses totalling £265 (2016: £nil) were reimbursed or paid directly to 1 trustee.

Other related party transactions involving the trustees are set out in note 23

10 Trustees' and Officers' Insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

11 Intangible Fixed Assets

	Computer Software £	Total £
Cost		
At 1 September 2016	52,491	52,491
Additions	-	-
At 31 August 2017	52,491	52,491
Amortisation		
At 1 September 2016	39,208	39,208
Charged in year	4,956	4,956
At 31 August 2017	44,164	44,164
Carrying Amount		
At 31 August 2016	13,283	13,283
At 31 August 2017	8,327	8,327

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**12 Tangible Fixed Assets**

	Leasehold Land and Buildings as restated	Plant and Machinery	Computer Hardware	Furniture and Equipment	Total as restated
	£	£	£	£	£
Cost					
At 1 September 2016	124,000	1,509	359,282	114,402	599,193
Additions	-	3,600	29,412	40,583	73,595
Disposals	-	-	(1,351)	-	(1,351)
At 31 August 2017	124,000	5,109	387,343	154,985	671,437
Depreciation					
At 1 September 2016	11,367	1,509	259,477	28,618	300,971
Charged in year	2,480	360	62,775	13,238	78,853
Disposals	-	-	(1,351)	-	(1,351)
At 31 August 2017	13,847	1,869	320,901	41,856	378,473
Net Book Values					
At 31 August 2016	112,633	-	99,805	85,784	298,222
At 31 August 2017	110,153	3,240	66,442	113,129	292,964

13 Debtors

	2017	2016
	£	£
Trade debtors	10,169	6,918
VAT recoverable	70,148	33,774
Prepayments and accrued income	106,553	126,484
	186,870	167,176

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**14 Creditors: amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	234,061	53,442
Taxation and social security	78,627	78,482
Other creditors	78,449	90,959
Accruals and deferred income	79,102	71,289
	<u>470,239</u>	<u>294,172</u>

Deferred Income

	2017	2016
	£	£
Deferred Income at 1 September 2016	61,133	35,674
Released from previous years	(61,133)	(35,674)
Resources deferred in the year	55,408	61,133
Deferred Income at 31 August 2017	<u>55,408</u>	<u>61,133</u>

At the balance sheet date the Academy Trust was holding funds received in advance for educational visits (£40,320) and rates relief (£15,088)

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

15 Funds

	Balance at 1 September 2016 as restated £	Income £	Expenditure £	Transfers £	Gains / (Losses) £	Balance at 31 August 2017 £
Restricted general funds						
General Annual Grant (GAG)	245,529	4,842,853	(4,546,060)	(228,251)	-	314,071
Pupil Premium	17,157	172,932	(172,882)	-	-	17,207
Other EFSA/DfE Grants	1,999	30,983	(41,289)	8,309	-	2
Other Restricted Funds	21,543	249,144	(248,239)	(10,183)	-	12,265
Condition Improvement Fund	33,142	143,879	(177,021)	-	-	-
Pension reserve	(1,630,000)	-	(316,000)	188,000	861,000	(897,000)
	(1,310,630)	5,439,791	(5,501,491)	(42,125)	861,000	(553,455)
Restricted fixed asset funds						
DfE/ESFA Capital Grants	37,803	22,574	(2,784)	-	-	57,593
Capital expenditure from GAG	172,211	-	(75,368)	40,251	-	137,094
Donated Assets	126,003	-	(4,801)	-	-	121,202
Other Restricted Funds	6,866	-	(856)	1,874	-	7,884
	342,883	22,574	(83,809)	42,125	-	323,773
Total restricted funds	(967,747)	5,462,365	(5,585,300)	-	861,000	(229,682)
Unrestricted funds						
Unrestricted funds	620,618	125,300	(48,226)	-	-	697,692
Total unrestricted funds	620,618	125,300	(48,226)	-	-	697,692
Total funds	(347,129)	5,587,665	(5,633,526)	-	861,000	468,010

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

- The General Annual Grant (GAG) is used for the normal running costs of the Academy. There is no limit on the GAG funds that can be carried forward.
- The Pupil Premium grant is used to address the educational needs of the students attracting this funding.
- The Condition Improvement Fund represents funding provided specifically for roof repairs and boiler replacement from the DfE/ESFA.
- Other DfE/ESFA grants are various specific grants provided to the Academy from the DfE/ESFA.
- Other restricted funds include income and expenditure on trips and other specific grants from the Local Authority and other sources for specific educational projects.
- The restricted pension reserves relates to the Local Government Pension Scheme (LGPS) deficit
- DfE/ESFA capital grants is the devolved formula capital grant, spent on a variety of capital items

The Trust is carrying a net surplus of £343,545 on restricted general funds (excluding pension reserve) and a net surplus £697,692 on unrestricted funds.

Transfers between restricted funds comprise:

- Transfer of pension contributions from GAG to Restricted Pension Reserve £188,000
- Transfer of fixed asset purchased using GAG to the Restricted Fixed Asset fund £40,251
- Transfer of fixed asset purchased using other restricted funds to the Restricted Fixed Asset fund £1,874
- Transfer of £8,309 Other Restricted Funds to Other ESFA/DfE Grants is to correct a misstatement in the funds brought forward.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**16 Analysis of Net Assets between Funds**

Fund balances at 31 August 2017 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2017 £
Intangible fixed assets	-	-	8,327	8,327
Tangible Fixed assets	-	-	292,964	292,964
Current assets	697,692	791,474	44,792	1,533,958
Current liabilities	-	(447,929)	(22,310)	(470,239)
Pension scheme liability	-	(897,000)	-	(897,000)
Total net assets	697,692	(553,455)	323,773	468,010

17 Commitments under Operating Leases**Operating Leases**

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts due within one year	6,223	5,956
Amounts due between one and five years	12,381	16,801
	18,604	22,757

18 Reconciliation of Net Income/(Expenditure) to Net Cash flow from operating activities

	2017 £	2016 <i>as restated</i> £
Net income/(expenditure) for the year (as per the statement of financial activities)	(45,861)	21,074
Adjusted for:		
Amortisation (note 11)	4,956	9,402
Depreciation (note 12)	78,853	87,844
Capital grants from DfE and other capital income	(22,574)	(23,728)
Interest receivable (note 5)	(2,822)	(3,569)
Defined benefit pension scheme cost less contributions payable (note 22)	92,000	12,000
Defined benefit pension scheme finance cost (note 22)	36,000	35,000
(Increase)/decrease in debtors	(19,694)	14,570
Increase/(decrease) in creditors	154,757	(120,752)
Net cash provided by / (used in) Operating Activities	275,615	31,841

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**19 Cash Flows from Investing Activities**

	2017	2016
	£	as restated
		£
Dividends, interest and rents from investments	2,822	3,569
Proceeds from sale of tangible fixed assets	-	1,345
Purchase of tangible fixed assets	(52,285)	(41,274)
Purchase of intangible fixed assets	-	(14,738)
Capital grants from DfE / ESFA	22,574	22,383
Net cash provided by / (used in) investing activities	<u>(26,889)</u>	<u>(28,715)</u>

20 Analysis of Cash and Cash Equivalents

	At 1 September 2016	Cash flows	At 31 August 2017
	£	£	£
Cash in hand and at bank	595,798	246,477	842,275
Notice deposits (less than 3 months)	502,564	2,249	504,813
Total cash and cash equivalents	<u>1,098,362</u>	<u>248,726</u>	<u>1,347,088</u>

21 Members' Liability

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

22 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 Suffolk County Council. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £71,211 (2016: £73,421) were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme**Introduction**

The Teachers' Pension Scheme is a statutory, contributory, defined benefit scheme governed by the Teachers Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full time teachers in academies, and from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**22 Pension and Similar Obligations (continued)****Valuation of the Teachers' Pension Scheme**

Not less than every four years 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 Gap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out on 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Gap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost gap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2.0% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.0%

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

The employer's pension costs paid to TPS in the period amounted to £372,671 (2016: £384,886).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2017 was £246,844 (2016: £242,000), of which employer's contributions totalled £198,277 (2016: £193,000) and employees' contributions totalled £48,567 (2016: £49,000). The agreed contribution rates for future years are 24.5% in 2017/18, 23.5% for 2018/19 and 23.2% for 2019/20 for employers and a variable % for employee's dependent on the salary of individuals as follows:

Annual Salary	Contribution Rate
£0 - £13,700	5.50%
£13,701 - £21,400	5.80%
£21,401 - £34,700	6.50%
£34,701 - £43,900	6.80%
£43,901 - £61,300	8.50%
£61,301 - £86,800	9.90%
£86,801 - £102,200	10.50%

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.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**22 Pension and Similar Obligations (continued)**

	At 31 August 2017 p.a.	At 31 August 2016 p.a.
Rate of increase in salaries	2.70%	4.10%
Rate of increase for pensions in payment/inflation	2.40%	2.10%
Discount rate for scheme liabilities	2.50%	2.10%

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	21.9	22.4
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	23.9	24.3
Females	26.4	26.9

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	1,757,120	1,397,250
Corporate bonds	542,640	405,000
Property	258,400	202,500
Cash and other liquid assets	25,840	20,250
Total market value of assets	2,584,000	2,025,000

The actual return on scheme assets was 12.1% (2016: 10.5%).

Amounts recognised in the Statement of Financial Activities

	2017 £	2016 £
Current service cost	(280,000)	(205,000)
Interest income	44,000	62,000
Interest cost	(80,000)	(97,000)
Total amount recognised in the SOFA	(316,000)	(240,000)

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**22 Pension and Similar Obligations (continued)**

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

	2017	2016
	£	£
At 1 September	3,655,000	2,440,000
Current service cost	280,000	205,000
Interest cost	80,000	97,000
Employee contributions	49,000	49,000
Actuarial (gain)/loss	(535,000)	893,000
Benefits paid	(48,000)	(29,000)
At 31 August	3,481,000	3,655,000

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

	2017	2016
	£	£
At 1 September	2,025,000	1,526,000
Interest income	44,000	62,000
Actuarial gain/(loss)	326,000	224,000
Employer contributions	188,000	193,000
Employee contributions	49,000	49,000
Benefits paid	(48,000)	(29,000)
At 31 August	2,584,000	2,025,000

23 Related Party Transactions

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

The following related party transactions took place in the period of account:

The East Anglian Roman Catholic Diocesan Trust, a charity that has significant influence over the Academy donated £21,000 towards the new sixth form build (2016: £4,000 towards toilet refurbishments)

24 Agency Arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the Trust received £16,891 and disbursed £15,674 from the fund. An amount of £1,217 is included in other creditors relating to undistributed funds that are repayable to ESFA.

25 Changes to Fixed Asset Accounting Policy

The Academy Trust under its old accounting policy included land and buildings, which are owned by the East Anglian Roman Catholic Diocesan Trust on the balance sheet on the basis it would continue to use these premises for the foreseeable future and that substantially the risks and rewards of ownership had been transferred to the Academy.

The Academy Trust has amended the fixed asset accounting policy in terms of the removal of the land and buildings, which are owned by the East Anglian Roman Catholic Diocesan Trust, from the balance sheet. Whilst the Academy Trust continues to occupy the premises in agreement with the East Anglian Roman Catholic Diocesan Trust; following a change in the guidance from the Education and Skills Funding Agency in the Academies Accounts Direction, the Academy has concluded that control remains with the East Anglian Roman Catholic Diocesan Trust and not the Academy Trust and therefore it is no longer appropriate to show the land and buildings on the balance sheet. The Trustees consider that the new policy provides a fairer representation of the results and of the financial position of the Academy Trust.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)**25 Changes to Fixed Asset Accounting Policy (continued)**

The comparative figures in the primary statements and notes have been restated to reflect the new fixed asset accounting policy.

The effects of the change in policy are summarised below:

	2017	2016
	£	£
Decrease in charitable activities costs due to reduced depreciation	1,077	277,326
Increase in charitable activities costs due to additional premises costs which would have been treated as capital under the old policy	27,020	39,572
(Decrease)/Increase in net income for the financial year	<u>(25,943)</u>	<u>237,754</u>
Balance Sheet		
Decrease in Tangible Fixed Assets	<u>25,943</u>	<u>12,698,465</u>
Decrease in Net Assets	<u>25,943</u>	<u>12,698,465</u>