



St Alban's Catholic High School

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2016

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) East Anglia Roman Catholic Diocese Trustee Mr David Verney		
Trustees	Mr Paul McGrath* - Chairman	Foundation	Resigned 12/02/16
=members of the Infrastructure Committee	Mr David Verney - Chairman	Foundation	
	Dr Erica Joslyn - Vice Chair	Foundation	
	Mrs Eleanor Bradley*	Foundation	Resigned 31/03/16
	Mrs Anna Beaumont	Foundation	Resigned 31/01/16
	Fr John Warrington	Foundation	
	Mr Martin Woor*	Foundation	
	Mr Priya Nainthy	Foundation	
	Mrs Geraldine Lofthouse	Foundation	
	Mrs Joanna McCall	Foundation	Appointed 01/04/16
	Mr Duncan Spencer *	Community	
	Mr Jason Horne	Teacher	
	Mr Craig Tournay-Godfrey*	Teacher	Resigned 30/06/16
	Mrs Julia Badza	Parent	Resigned 24/02/16
	Mrs Lynn Davis	Parent	Resigned 19/03/16
	Mrs Shannon Mesplie-Cowan	Parent	
	Mrs Lisa Weichert	Parent	Appointed 20/03/16
	Mrs Elizabeth Kent	Parent	Appointed 20/03/16
	Mr Colin Walker*	Ex- Officio	
	Mrs Jill Sandvig	Foundation	Appointed 01/11/16
	Mrs Rita Jenner	Foundation	Appointed 01/11/16
	Mr Stephen John Tidball	Foundation	Appointed 01/11/16
Senior Managers			
Principal	Mr Colin Walker		
Deputy Principal	Ms Clare Sullivan		
Assistant Principal	Mrs Fenella Ford	Resigned 31/08/16	
Assistant Principal	Mrs Laura Lawrence		
Assistant Principal	Mrs Sarah Morris		
Business Manager (Director of Finance)	Mr Seán Salter		
Bursar	Mrs Debbie Rattle	Resigned 31/08/16	
Finance Manager	Mrs Jennifer Hunwicke	Appointed 01/09/16	
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		
Solicitors	Jackamans Solicitors Northgate Street Ipswich IP1 3BX		

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 2015 to 31 August 2016.

The financial statements have been prepared in accordance with the accounting policies on pages 22-25 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 2015-2016.

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.

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.

Appointment of Trustees

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 1 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 2.

The Principal 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. 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.

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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).

Organisational Structure

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

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. From 1st September 2016 the Strategy Committee has been replaced by a fourth Full Governing Body meeting. A new Chair of Governors was appointed in March 2016 following the end of term of the previous incumbent. The Governing Body has no involvement in the day-to-day management of the Academy.

The Senior Leadership Team consists of the Principal, Deputy Principal, three Assistant Principals and the Business Manager (Director of Finance). These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. The Principal is the Accounting Officer. The Academy has an Executive Headteacher whose role is advisory, and has no day to day management responsibility.

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 strong links with three Catholic Primary Schools in Ipswich which form part of a high school: primary school pyramid. Staff expertise is occasionally shared, but there is no specific financial or legal connection.

The Friends of St Alban's was established in 1987 and continues to raise money to advance the education of the pupils of the school by providing and assisting in the provision of facilities for education at the school.

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 2015/16 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:

Continue to establish a school that recognises that every aspect of its work can affirm the goodness and presence of God so that we can foster a faith commitment. For Christians this would prepare our students for a fuller participation as followers of Christ in the life of their community.

In-year progress has included: Developed form prayer time, developed more frequent opportunities for all students to participate in Mass and paraliturgies throughout the year, gained the Citizenship award, continued to develop the spiritual life in Sixth Form, introduced a new website for the Academy, appraised a number of VLE (Virtual Learning Environment) providers with a view to implementation in 2017.

Pupil Attainment and Achievement:

Continue to enable individual students to maximise their learning opportunities and outcomes.

In-year progress has included: Embedded departmental use of ALPS at Key Stage 5 to measure student progress, embedded new Year 11 ASPIRE targets, reviewed the KS4 options process in light of the changes to GCSE for 2016

Quality/Capacity of Leadership and Management:

Continue to develop in depth leadership throughout the school that will create high expectations and a success culture including staff and students.

In-year progress has included: Created a successful partnership with Teach First (Teacher training agency), developed student leadership by developing the role of House Captains, continued to pursue Catholic succession, extended student leadership further within Chaplaincy, developed and embedded the role of prefects, continued to work with middle leaders to develop MER within departments.

Quality of Teaching and Learning:

Continue to ensure that teachers are delivering consistently high quality lessons to enable all students to reach their potential.

In-year progress has included: Developed staff and student growth mindset and independent learning approach, embedded the CPPD process for teaching and support staff, ensured consistent RE marking and feedback, provided increased opportunities for year 9 and 10 'aspire to challenge'.

Behaviour, Safety, Care and Guidance:

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: Developed the effective use of individual learning plans in Sixth Form, improved pupil premium attendance, developed opportunities for students in Key Stages 4 and 5 to enhance their employability skills.

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Premises, Facilities, Finance and Staffing:

The school will look to develop the Academy's facilities to ensure they are fit for purpose, optimise income and ensure all expenditure is necessary and offers best value.

In-year progress has included: Regeneration of main school toilets, developed a Premises 'Rolling Programme' for school improvements, reviewed the role of the ICT Technician shared by Catholic primary schools, developed a new Performance Management Review process for Support Staff, worked on ensuring that the correct Sixth Form funding from the Education Funding Agency is secure, adapted external doors in Technology to meet DDA requirements..

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 a very successful Sixth Form, in total there are 1,020 pupils. St. Alban's is the only Catholic High School in the Ipswich area and is an all-ability Academy. 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.

The School's definition of the word discipline is taken from its Latin origin. In earlier times someone who was a 'disciple' was someone who wished to learn. It is among the aims of this School to provide a secure, caring and ordered Christian atmosphere in which pupils can learn not only what they will need to fit them for a career, but also to mature, grow and cope in a society in which traditional standards are continually being undermined. It is self-discipline and a constant awareness of the needs of others that we are trying to achieve at this School.

St. Alban's enjoys a first class reputation with parents and their children and this is reflected in the number of applications we receive each year. The School attracts a very 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. We continue to achieve excellent results as the GCSE and A Level summary results below indicate:

GCSE (Year 11) 2012 – 2016 % of pupils gaining A*-C in English and Mathematics

2011-2012	60%
2012-2013	73%
2013-2014	71%
2014-2015	69%
2015-2016	66%

A Level 2012 - 2016 Examination Results Pass Rate

2011-2012	98%
2012-2013	99%
2013-2014	99%
2014-2015	99%
2015-2016	99%

Key Financial Performance Indicators

The total number of students funded in the year ended 31 August 2016 numbered 1,022 (including 210 in Sixth Form). The Published Admission Number is 162 however the school is trialling a new approach to teaching in Years 7 and 8. As a consequence the Governors have decided to admit 168 pupils to these years while the trial is in progress. Trustees will then review the impact of the increased PAN at the end of the academic year.

The Academy continues to be oversubscribed in years 7 to 11 and numbers in our Sixth Form are increasing.

The school continues to make good progress with reducing pupil absenteeism. The percentage of student sessions (half days) missed through authorised absence is 3.1% (National average 4.0%). The percentage of student sessions (half days) missed through unauthorised absence is 0.7% (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 £1,310,630. This deficit is due to the pension reserve liability of £1,630,000, 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 Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the EFA during the year ended 31st August 2016 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 EFA. 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 2016, total expenditure of £5,625,869 was not covered by recurrent grant funding from the EFA together with other incoming resources. The shortfall of income over expenditure for the year was £216,680, however excluding fixed assets depreciation, income exceeded expenditure by £130,164.

At 31st August 2016 the net book value of fixed assets was £13,009,970 and movements in intangible and tangible fixed assets are shown within notes 11 and 12 in the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In accordance with FRS102, the Academy received an actuarial assessment of the Local Government Pension Scheme (LGPS) deficit. The deficit balance of £1,630,000 is included **within** the Balance Sheet as at 31st August 2016 and supporting notes to the accounts.

Reserves Policy

The Academy held fund balances at 31 August 2016 of £12,351,336 comprising restricted funds and unrestricted funds. The restricted fixed asset fund is £13,041,348, the pension fund deficit is £1,630,000 and the restricted general fund (excluding the pension fund deficit) is £319,370. The unrestricted funds amount to £620,618.

The Trustees expect to maintain a positive balance of General Annual Grant. The Trustees have determined that a surplus of unrestricted funds is maintained to enable the school to react to unforeseen budget changes.

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 Finance Committee has approved that short-term low-risk investments are made when the Academy bank balance allows.

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 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 2016 showed a deficit balance of £1,630,000. This deficit is subject to periodic actuarial review and is regularly monitored by the Trustees.

Plans for Future Periods

The Academy will continue to monitor its funding levels carefully. Medium term planning has been undertaken and this has highlighted areas of focus in 2016/17 and beyond. 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 continue to 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 levels across the main school and Sixth Form are maintained.

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.

Discussions have taken place with the Catholic Primary schools in Ipswich, in regards to forming a multi academy trust and these continue to be ongoing.

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 5th December 2016 and signed on its behalf by:



Mr David Verney
Chairman

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St Alban's Catholic High School Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day to day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Alban's Catholic High School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 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	3	3
Dr Erica Joslyn	2	3
Fr John Warrington	2	3
Mr Martin Woor	2	3
Mr Priya Nainthy	3	3
Mrs Geraldine Lofthouse	3	3
Mrs Joanna McCall	1	1
Mr Duncan Spencer	3	3
Mrs Shannon Mesplie-Cowan	3	3
Mrs Elizabeth Kent	1	1
Mr Jason Horne	3	3
Mr Colin Walker (Principal)	3	3
Mr. Paul McGrath	1	1
Mrs Anna Beaumont	1	1
Mrs Eleanor Bradley	2	2
Mrs Julia Badza	0	2
Mrs Lynn Davis	1	2
Mr Craig Tournay-Godfrey	3	3
Mrs Lisa Weichert	1	2

Mr David Verney took on the role of Chair in March 2016 from Mr P McGrath. 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.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Martin Woor	2	3
Mr David Verney	3	3
Mr Colin Walker	3	3
Mr Duncan Spencer	2	3
Mr Craig Tournay-Godfrey	2	3
Mr Paul McGrath	1	1
Mrs Eleanor Bradley	1	1

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.

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 restructuring the ICT department, introducing zero-based budgeting for the largest departmental budgets and developing a robust Performance Management process.

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 Academy Trust for the period 1st September 2015 to 31 August 2016 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 2015 to 31 August 2016 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 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 2016, 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 ensures continuous improvement of the systems is in place.

Approved by order of the members of the Board of Trustees on 5th December 2016 and signed on its behalf by:



Mr D Verney
Chair of Trustees



Mr C Walker
Accounting Officer

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Statement on Regularity, Propriety and Compliance

As accounting officer of St Alban's Catholic High School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA 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 2015.

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 2015.

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 EFA.



Mr C Walker
Accounting Officer
5th December 2016

Statement of Trustees' Responsibilities

The trustees (who act as governors of St Alban's Catholic High School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education 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 2015 to 2016;
- 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 operation.

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 EFA/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 5th December 2016 and signed on its behalf by:



Mr D Verney

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

We have audited the financial statements of St Alban's Catholic High School Limited for the period ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2016 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 2015 to 2016 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

St Alban's Catholic High School 7902662

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

Matters on which we are required to report by exception

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

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


.....
Helen Rumsley – Senior Statutory Auditor

7 December 2016

For and on behalf of:

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

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

In accordance with the terms of our engagement letter dated 19 October 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2015 to 2016, 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 1 September 2015 to 31 August 2016 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 the EFA 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 the EFA 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 the EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of St Alban's Catholic High School's funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. 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.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ensors Accountants LLP

 Ensors Accountants LLP
 Statutory Auditor
 Ipswich

7 December 2016

Statement of Financial Activities for the period ended 31 August 2016
(including Income and Expenditure Account)

	Notes	Unrestricted. Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	5,038	-	26,383	31,421	106,328
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	12,922	5,219,382	-	5,232,304	5,280,087
Other trading activities	4	121,050	19,500	1,345	141,895	147,695
Investments	5	3,569	-	-	3,569	3,831
Total income and endowments		<u>142,579</u>	<u>5,238,882</u>	<u>27,728</u>	<u>5,409,189</u>	<u>5,537,941</u>
Expenditure on:						
Raising Funds	6	6,648	-	-	6,648	7,894
<i>Charitable activities:</i>						
Academy trust educational operations	7	56,871	5,187,778	374,572	5,619,221	5,835,908
Total expenditure		<u>63,519</u>	<u>5,187,778</u>	<u>374,572</u>	<u>5,625,869</u>	<u>5,843,802</u>
Net income / (expenditure)		79,060	51,104	(346,844)	(216,680)	(305,861)
Transfers between funds	15	-	(56,012)	56,012	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	15, 24	-	(669,000)	-	(669,000)	39,000
Net movement in funds		79,060	(673,908)	(290,832)	(885,680)	(266,861)
Reconciliation of funds						
Total funds brought forward at 1 September 2015	15	<u>541,558</u>	<u>(636,722)</u>	<u>13,332,180</u>	<u>13,237,016</u>	<u>13,503,877</u>
Funds carried forward at 31 August 2016		<u>620,618</u>	<u>(1,310,630)</u>	<u>13,041,348</u>	<u>12,351,336</u>	<u>13,237,016</u>

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

**Statement of Financial Activities for the period ended 31 August 2015
(including Income and Expenditure Account) showing comparatives by fund**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £
Income and endowments from:				
Donations and capital grants	4,672	3,772	97,884	106,328
<i>Charitable activities:</i>				
Funding for the academy trust's educational operations	96,660	5,183,427	-	5,280,087
Other trading activities	121,097	26,598	-	147,695
Investments	3,831	-	-	3,831
Total income and endowments	<u>226,260</u>	<u>5,213,797</u>	<u>97,884</u>	<u>5,537,941</u>
Expenditure on:				
Raising Funds	7,894	-	-	7,894
<i>Charitable activities:</i>				
Academy trust educational operations	139,814	5,341,014	355,080	5,835,908
Total expenditure	<u>147,708</u>	<u>5,341,014</u>	<u>355,080</u>	<u>5,843,802</u>
Net income / (expenditure)	78,552	(127,217)	(257,196)	(305,861)
Transfers between funds	-	(124,696)	124,696	-
Other recognised gains / (losses):				
Actuarial (losses) / gains on defined benefit pension schemes	-	39,000	-	39,000
Net movement in funds	<u>78,552</u>	<u>(212,913)</u>	<u>(132,500)</u>	<u>(266,861)</u>
Reconciliation of funds				
Total funds brought forward at 1 September 2014	<u>463,006</u>	<u>(423,809)</u>	<u>13,464,680</u>	<u>13,503,877</u>
Funds carried forward at 31 August 2015	<u>541,558</u>	<u>(636,722)</u>	<u>13,332,180</u>	<u>13,237,016</u>

Balance Sheet as at 31 August 2016

	Notes	2016 £	2015 £
Fixed Assets			
Intangible assets	11	13,283	7,946
Tangible assets	12	<u>12,996,687</u>	<u>13,281,012</u>
		<u>13,009,970</u>	<u>13,288,958</u>
Current assets			
Debtors	13	167,176	181,746
Cash at bank and in hand		<u>1,098,362</u>	<u>1,095,236</u>
		<u>1,265,538</u>	<u>1,276,982</u>
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(294,172)</u>	<u>(414,924)</u>
Net current assets		<u>971,366</u>	<u>862,058</u>
Total assets less current liabilities		<u>13,981,336</u>	<u>14,151,016</u>
Net assets excluding pension liability		<u>13,981,336</u>	<u>14,151,016</u>
Defined benefit pension scheme liability	24	<u>(1,630,000)</u>	<u>(914,000)</u>
Total net assets		<u>12,351,336</u>	<u>13,237,016</u>
Funds of the academy trust:			
- Fixed asset fund	15	13,041,348	13,332,180
- General fund	15	319,370	277,278
- Pension reserve	15	<u>(1,630,000)</u>	<u>(914,000)</u>
Total restricted funds		<u>11,730,718</u>	<u>12,695,458</u>
Unrestricted income funds	15	620,618	541,558
Total unrestricted funds		<u>620,618</u>	<u>541,558</u>
Total funds		<u>12,351,336</u>	<u>13,237,016</u>

The financial statements on pages 18-39 were approved by the trustees, and authorised for issue on 5th December 2016 and are signed on their behalf by:



Mr D Verney
Chair of Trustees

Statement of Cash Flows for the period ended 31 August 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	96,729	109,611
Cash flows from investing activities			
	21	(93,604)	(451,396)
Cash flows from financing activities			
	20	-	(7,350)
Change in cash and cash equivalents in the reporting period		<u>3,125</u>	<u>(349,135)</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 01 September 2015	22	1,095,236	1,444,371
Cash and cash equivalents at 31 August 2016		<u>1,098,361</u>	<u>1,095,236</u>

Notes to the Financial Statements for the Year Ended 31 August 2016

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

These financial statements are the first financial statements of St Alban's Catholic High School prepared in accordance with Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102) and the Charities SORP 2015 (SORP 2015). The financial statements of St Alban's Catholic High School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

Explanation of transition to FRS102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS102 and SORP 2015 was therefore 1 September 2015. As a consequence of adopting FRS102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

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 2016**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'.

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

- **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. Existing school land and buildings at the time of conversion have been valued at their fair value and have been recognised within fixed assets on the basis that substantially all the risks and rewards of ownership have been transferred to the Academy.

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

• Long leasehold and other interests in Land and Buildings	2%
• Plant and Machinery	20%
• Fixtures, fittings & equipment	10%
• Computer hardware	33%

Notes to the Financial Statements for the Year Ended 31 August 2016

1. Statement of Accounting Policies (continued)

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.

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.

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 24, 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.

Notes to the Financial Statements for the Year Ended 31 August 2016

1. Statement of Accounting Policies (continued)

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 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 24, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

Critical area of judgement

The Net Book Value of Leasehold and other interests in Land and Buildings in Note 12 includes £12,670,180 (2015: £12,907,934) which was occupied by way of a supplemental agreement with the legal owners, the East Anglian Roman Catholic Diocese. Taking all considerations into account relating to the occupancy arrangement, the Trustees feel that this is appropriate to be shown within Tangible Fixed Assets and that the arrangement will continue for the foreseeable future.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use 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 26.

2 Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Capital grants				
Devolved Formula Capital	-	22,383	22,383	22,214
Donated fixed assets				
Toilet refurbishments and new sixth form	-	4,000	4,000	75,670
Other donations				
Donations -Revenue	5,038	-	5,038	8,444
	<u>5,038</u>	<u>26,383</u>	<u>31,421</u>	<u>106,328</u>

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
DfE/EFA Revenue Grants				
General Annual Grant	-	4,731,153	4,731,153	4,757,800
DfE/EFA Grants	-	-	-	3,374
Pupil Premium	-	198,980	198,980	168,335
Rates Relief	-	9,434	9,434	22,284
Year 7 Catch Up	-	6,000	6,000	8,500
Condition Improvement Fund	-	101,556	101,556	-
		5,047,123	5,047,123	4,960,293
Other Government Grants				
High Needs Tariff	-	37,083	37,083	30,833
Children in Care (CIC)	-	11,520	11,520	5,025
SCITT	-	600	600	2,450
EPQ STEM	11,750	-	11,750	-
AST	-	-	-	21,197
British Council	-	-	-	3,868
	11,750	49,203	60,953	63,373
Other income from the academy trust's educational operations				
Academy Trips	1,172	123,056	124,228	167,439
Catering Income	-	-	-	88,982
	12,922	5,219,382	5,232,304	5,280,087

4 Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Hire of Facilities	41,291	-	41,291	41,664
Items Sold	6,983	-	6,983	7,880
Sale of Fixed Assets	-	1,345	1,345	-
Insurance Claims	1,203	-	1,203	-
Income from Services Provided	-	-	-	5,039
NEI Partnership	-	13,500	13,500	25,983
Music Tuition	17,466	-	17,466	15,080
The Ropes Trust	-	6,000	6,000	6,000
IT Technician	9,338	-	9,338	11,967
Educational Materials	36,837	-	36,837	28,697
Exam Fees Income	7,932	-	7,932	5,385
	121,050	20,845	141,895	147,695

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Bank Interest	3,569	-	3,569	3,831
	3,569	-	3,569	3,831

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

6 Expenditure

	Non Pay Expenditure			Total	Total
	Staff Costs	Premises	Other	2016	2015
	£	£	£	£	£
Expenditure on raising funds	-	-	6,648	6,648	7,894
Academy's educational operations					
• Direct Costs	3,634,527	374,572	342,718	4,351,817	4,403,689
• Allocated Support Costs	721,957	347,781	197,666	1,267,404	1,432,219
	<u>4,356,484</u>	<u>722,353</u>	<u>547,032</u>	<u>5,625,869</u>	<u>5,843,802</u>

Net Income/(expenditure) for the period includes:

	2016	2015
	£	£
Operating lease rentals	7,313	13,061
Depreciation	365,170	344,371
(Gain)/Loss on disposal of fixed assets	(1,345)	-
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	9,402	10,709
Fees payable to auditor for:		
• audit	6,560	6,400
• other services	2,610	3,195

7 Charitable Activities

	Total	Total
	2016	2015
	£	£
Direct costs - educational operations	4,351,817	4,403,689
Support costs - educational operations	1,267,404	1,432,219
	<u>5,619,221</u>	<u>5,835,908</u>

	Educational	Total	Total
	Operations	2016	2015
	£	£	£
Analysis of support costs			
Support staff costs	713,485	713,485	715,115
Technology costs	28,652	28,652	27,626
Premises costs	347,781	347,781	418,773
Other support costs	157,785	157,785	247,330
Governance costs	19,701	19,701	23,375
Total support costs	<u>1,267,404</u>	<u>1,267,404</u>	<u>1,432,219</u>

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**8 Staff**

	Total 2016	Total 2015
	£	£
a. Staff costs		
Staff costs during the period were:		
Wages and salaries	3,389,099	3,445,930
Social security costs	278,768	248,548
Operating costs of defined benefit pension schemes	590,139	556,490
	<u>4,258,006</u>	<u>4,250,968</u>
Supply staff costs	96,728	95,021
Staff restructuring costs	1,750	7,400
	<u>4,356,484</u>	<u>4,353,389</u>

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is a non-statutory/non-contractual severance payment of £1,750 (2015: £7,400) paid to one employee (2015: one employee).

c. Staff numbers

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

	2016	2015
	No.	No
Teachers	60	55
Administration and support	61	78
Management	6	6
	<u>127</u>	<u>139</u>

d. Higher paid staff

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

	2016	2015
	No.	No
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1

e. Key management personnel

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 pension contributions) received by key management personnel for their services to the academy trust was £526,965 (2015: £523,186)

Notes to the Financial Statements for the Year Ended 31 August 2016 (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 (2015: £80,000 - £85,000)

Employer's pension contributions £10,000 - £15,000 (2015: £10,000 - £15,000)

J Home (staff trustee)

Remuneration £45,000 - £50,000 (2015: £45,000 - £50,000)

Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

C Tournay Godfrey (staff trustee)

Remuneration £30,000 - £35,000 (2015: £40,000 - £45,000)

Employer's pension contributions £Nil (2015: £5,000 - £10,000)

E Bradley (trustee & exam invigilator)

Remuneration £0 - £500 (2015: £0- £500)

Employer's pension contributions £Nil (2015: £Nil)

During the period ended 31 August 2016, travel and subsistence expenses totalling £Nil (2015: £444) were reimbursed or paid directly (2015: 3 employees)

Other related party transactions involving the trustees are set out in note 25.

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.

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

11 Intangible Fixed Assets

	Computer Software £	Total £
Cost		
At 1 September 2015	37,752	37,752
Additions	14,739	14,739
At 31 August 2016	<u>52,491</u>	<u>52,491</u>
Amortisation		
At 1 September 2015	29,806	29,806
Charged in year	9,402	9,402
At 31 August 2016	<u>39,208</u>	<u>39,208</u>
Carrying Amount		
At 31 August 2015	7,946	7,946
At 31 August 2016	<u>13,283</u>	<u>13,283</u>

12 Tangible Fixed Assets

	Leasehold and other interests in Land and Buildings £	Plant and Machinery £	Computer Hardware £	Furniture and Equipment £	Assets Under Construction £	Total £
Cost						
At 1 September 2015	13,955,403	1,509	330,684	107,381	28,285	14,423,262
Additions	39,572	-	34,252	7,021	-	80,845
Transferred into use	28,285	-	-	-	(28,285)	-
Disposals	-	-	(5,654)	-	-	(5,654)
At 31 August 2016	<u>14,023,260</u>	<u>1,509</u>	<u>359,282</u>	<u>114,402</u>	<u>-</u>	<u>14,498,453</u>
Depreciation						
At 1 September 2015	932,356	1,475	191,135	17,284	-	1,142,250
Charged in year	279,806	34	73,996	11,334	-	365,170
Disposals	-	-	(5,654)	-	-	(5,654)
At 31 August 2016	<u>1,212,162</u>	<u>1,509</u>	<u>259,477</u>	<u>28,618</u>	<u>-</u>	<u>1,501,766</u>
Net Book Values						
At 31 August 2015	13,023,047	34	139,549	90,097	28,285	13,281,012
At 31 August 2016	<u>12,811,098</u>	<u>-</u>	<u>99,805</u>	<u>85,784</u>	<u>-</u>	<u>12,996,687</u>

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**13 Debtors**

	2016	2015
	£	£
Trade debtors	6,918	3,315
VAT recoverable	33,774	63,457
Prepayments and accrued income	126,484	114,974
	<u>167,176</u>	<u>181,746</u>

14 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	53,442	140,865
Taxation and social security	78,482	72,206
Other creditors	90,959	87,700
Accruals and deferred income	71,289	114,153
	<u>294,172</u>	<u>414,924</u>

Deferred Income

	2016	2015
	£	£
Deferred Income at 1 September 2015	35,674	-
Resources deferred in the year	61,133	35,674
Amounts released from previous years	(35,674)	-
Deferred Income at 31 August 2016	<u>61,133</u>	<u>35,674</u>

At the balance sheet date the Academy deferred income of £40,879 Educational Visits, £6,048 III Health Liability Assurance and £14,206 Rates Relief.

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

15 Funds

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers £	Gains / (Losses) £	Balance at 31 August 2016 £
Restricted general funds						
General Annual Grant (GAG)	235,868	4,731,153	(4,465,603)	(255,889)	-	245,529
Pupil Premium	17,252	198,980	(199,075)	-	-	17,157
Other EFA/DfE Grants	10,678	15,435	(24,114)	-	-	1,999
Other Restricted Funds	13,480	191,758	(190,572)	6,877	-	21,543
Condition Improvement Fund	-	101,556	(68,414)	-	-	33,142
Pension reserve	(914,000)	-	(240,000)	193,000	(669,000)	(1,630,000)
	(636,722)	5,238,882	(5,187,778)	(56,012)	(669,000)	(1,310,630)
Restricted fixed asset funds						
EFA/DfE Capital Grants	972,267	22,383	(20,103)	-	-	974,547
Capital expenditure from GAG	235,282	-	(90,455)	54,580	-	199,407
Donated Assets	12,052,748	-	(261,667)	-	-	11,791,081
Other Capital Income	66,800	4,000	(1,353)	-	-	69,447
Other Restricted Funds	5,083	1,345	(994)	1,432	-	6,866
	13,332,180	27,728	(374,572)	56,012	-	13,041,348
Total restricted funds	12,695,458	5,266,610	(5,562,350)	-	(669,000)	11,730,718
Unrestricted funds						
Unrestricted funds	541,558	142,579	(63,519)	-	-	620,618
Total unrestricted funds	541,558	142,579	(63,519)	-	-	620,618
Total funds	13,237,016	5,409,189	(5,625,869)	-	(669,000)	12,351,336

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 the roofing repairs from the DfE/EFA.
- Other DfE/EFA grants are various specific grants provided to the Academy from the DfE/EFA
- 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/EfA capital grants is the devolved formula capital grant, spent on a variety of capital items
- The Other Capital Income includes cash donations for fixed asset purchases from The East Anglian Roman Catholic Diocese and Friends of St Alban's Catholic High School Association.

The trust is carrying a net surplus of £319,370 on restricted general funds (excluding pension reserve) and a net surplus £620,618 on unrestricted funds.

Transfers between restricted funds comprise:

- Transfer of pension contributions from GAG to Restricted Pension Reserve £193,000
- Transfer of fixed asset purchased using GAG to the Restricted Fixed Asset fund £54,580
- Transfer of fixed asset purchased using other restricted funds to the Restricted Fixed Asset fund £1,432
- Transfer of £8,309 GAG to Other Restricted Funds to correct a misstatement in the funds brought forward.

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**16 Analysis of Net Assets between Funds**

Fund balances at 31 August 2016 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2016 £
Intangible fixed assets	-	-	13,283	13,283
Tangible Fixed assets	-	-	12,996,687	12,996,687
Current assets	620,618	613,542	31,378	1,265,538
Current liabilities	-	(294,172)	-	(294,172)
Pension scheme liability	-	(1,630,000)	-	(1,630,000)
Total net assets	<u>620,618</u>	<u>(1,310,630)</u>	<u>13,041,348</u>	<u>12,351,336</u>

17 Capital Commitments

	2016 £	2015 £
Contracted for, but not provided in the financial statements		
Toilet Refurbishment	-	45,076
	<u>-</u>	<u>45,076</u>

18 Commitments under Operating Leases**Operating Leases**

At 31 August 2016 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts due within one year	5,956	7,366
Amounts due between one and five years	16,801	29,768
	<u>22,757</u>	<u>37,134</u>

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**19 Reconciliation of Net Income/(Expenditure) to Net Cash flow from operating activities**

	2016 £	2015 £
Net income/(expenditure) for the year (as per the statement of financial activities)	(216,680)	(305,861)
Adjusted for:		
Amortisation (note 11)	9,402	10,709
Depreciation (note 12)	365,170	344,371
Capital grants from DfE and other capital income	(27,728)	(97,884)
Interest receivable (note 5)	(3,569)	(3,831)
Defined benefit pension scheme cost less contributions payable (note 24)	12,000	30,000
Defined benefit pension scheme finance cost (note 24)	35,000	34,000
(Increase)/decrease in debtors	(45,430)	177,296
Increase/(decrease) in creditors	(31,436)	(79,189)
Net cash provided by / (used in) Operating Activities	96,729	109,611

20 Cash Flows from Financing Activities

	2016 £	2015 £
Repayments of borrowing	-	(7,350)
Net cash provided by / (used in) financing activities	-	(7,350)

21 Cash Flows from Investing Activities

	2016 £	2015 £
Bank deposit interest	3,569	3,831
Proceeds from sale of tangible fixed assets	1,345	-
Purchase of tangible fixed assets	(170,162)	(985,016)
Purchase of intangible fixed assets	(14,739)	-
Capital grants from DfE / EFA	22,383	514,119
Capital funding received from donors	64,000	15,670
Net cash provided by / (used in) investing activities	(93,604)	(451,396)

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**22 Analysis of Cash and Cash Equivalents**

	At 1 September 2015	Cash flows	At 31 August 2016
	£	£	£
Cash in hand and at bank	1,095,236	(499,438)	595,798
Notice deposits (less than 3 months)	-	502,564	502,564
Total cash and cash equivalents	1,095,236	3,126	1,098,362

23 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.

24 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 2013.

Contributions amounting to £73,421 (2015: £70,442) were payable to the schemes at 31 August 2016 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.

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:

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**24 Pension and Similar Obligations (continued)**

- 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 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, 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 £384,886 (2015: £335,918).

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 2016 was £242,000 (2015: £240,000), of which employer's contributions totalled £193,000 (2015: £191,000) and employees' contributions totalled £49,000 (2015: £49,000). The agreed contribution rates up until 31 March 2017 are 25.5% for employers. The expected rate from 1 April 2017 is 24.5%, however this rate is unlikely to be formally agreed until February 2017. There is a variable % for employee's dependant on the salary of individuals as follows:

Annual Salary	Contribution Rate
£0 - £13,600	5.50%
£13,601 - £21,200	5.80%
£21,201 - £34,400	6.50%
£34,401 - £43,500	6.80%
£43,501 - £60,700	8.50%
£60,701 - £86,000	9.90%
£86,001 - £101,200	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 2016 (continued)**24 Pension and Similar Obligations (continued)****Principal Actuarial Assumptions**

	At 31 August 2016 p.a.	At 31 August 2015 p.a.
Rate of increase in salaries	4.10%	4.60%
Rate of increase for pensions in payment/inflation	2.10%	2.70%
Discount rate for scheme liabilities	2.10%	3.80%

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 2016	At 31 August 2015
<i>Retiring today</i>		
Males	22.4	22.4
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	24.3	24.3
Females	26.9	26.9

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equity instruments	1,417,500	1,038,000
Debt instruments	405,000	320,000
Property	202,500	168,000
Total market value of assets	2,025,000	1,526,000

The actual return on scheme assets was 10.5% (2015: 7.1%).

Amounts recognised in the statement of financial activities

	2016 £	2015 £
Current service cost (net of employee contributions)	(205,000)	(221,000)
Net interest cost	(35,000)	(34,000)
Total operating charge	(240,000)	(255,000)

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**24 Pension and Similar Obligations (continued)**

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

	2016	2015
	£	£
At 1 September	2,440,000	2,129,000
Current service cost	205,000	221,000
Interest cost	97,000	84,000
Employee contributions	49,000	49,000
Actuarial (gain) / loss	893,000	(36,000)
Benefits paid	(29,000)	(7,000)
At 31 August	3,655,000	2,440,000

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

	2016	2015
	£	£
At 1 September	1,526,000	1,240,000
Interest income	62,000	50,000
Actuarial gain / (loss)	224,000	3,000
Employer contributions	193,000	191,000
Employee contributions	49,000	49,000
Benefits paid	(29,000)	(7,000)
At 31 August	2,025,000	1,526,000

25 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 Diocese, a charity that has significant influence over the Academy donated £4,000 towards toilet refurbishments (2015: £72,392 towards 6th form block, project management services and roof repairs)
- One of our trustees is also a trustee of Co-op Juniors Theatre Productions from whom costumes were hired to the value of £151 for our school production in December 2015.

In entering into these transactions the trust has complied with the requirements of the EFA's Academies Financial Handbook

26 Agency Arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. The opening balance as at 1st September 2015 was £1,068. In the accounting period ending 31 August 2016 the trust received £16,075 and disbursed £16,587 from the fund. An amount of £556 is included in other creditors relating to undistributed funds that is repayable to EFA.

27 Connected Charities

During the accounting period the Academy Trust was connected to the following charities:
The Friends of St Alban's Catholic High School – this registered charity was established to advance the education of the pupils at the Academy by providing and assisting in the provision of facilities for education at the Academy. As at 31st August 2016 this charity's net assets/funds stood at £6,371. Gross income for the period was £8,873 and expenditure £7,386 resulting in an in year surplus of £1,487.

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)**28 Reconciliation to SORP 2005**

Reconciliations and descriptions of the effect of the transition to FRS102 and SORP 2015 on net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below:

Reconciliation of net income/(expenditure)	Notes	31 August 2015 £
Net income/(expenditure) previously reported under UK GAAP		(280,861)
Change in recognition of LGPS interest cost	A	(25,000)
Net income/(expenditure) reported under FRS102		<u>(305,861)</u>

A – Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expenses. Under FRS 102 a net interest expenses, based on the net defined benefit liability, is recognised in expenses. There has been no charge in the defined benefit liability at either 1 September 2014 or 31st August 2015. The effect of the change has been to reduce the credit to expenses by £25,000 and increase the credit in other recognised gains and losses in the SOFA by an equivalent amount.