
ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

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ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2012**

Governors

Mr M Phelan
Mrs M Broader (resigned 6 November 2012)
Mrs R Maguire
Mr D O'Neill
Mr T Duffy
Mr J Martin (resigned 1 March 2012)
Mr Borthwick
Mr S Whitehouse
Mr J Heath
Mrs M Earl (resigned 1 July 2012)
Mrs K Cleverley (resigned 31 August 2012)
Mr P Honeyfield (resigned 31 August 2012)
Miss L Winterburn (resigned 31 August 2012)
Mr R Talbot (resigned 16 March 2012)
Mr M Wishaw
Br J Catterson
Mr N Dodd
Mr W Hammond (resigned 1 July 2012)
Mr A Kennedy
Mr A Franks
Mr P Robinson
Mr N Atkins (appointed 30 June 2012)
Mrs V Broomhall (appointed 31 August 2012)
Mrs C Machin (appointed 31 August 2012)
Dr M Robinson (appointed 31 August 2012)
Mrs S Scott (appointed 31 March 2012)

Company registered number

7490390

Registered office

London Road Trent Vale, Stoke on Trent, Staffordshire, ST4 5NT

Company secretary

Mrs K Cleverley

Senior Management Team

Ms R Maguire, Head Teacher
Mr M Rayner, 1st Deputy Head Teacher
Mr P Mayland, 2nd Deputy Head Teacher
Mr J Bryden, Assistant Head Teacher
Mr S Jones, Assistant Head Teacher
Mr R Christopherson, Assistant Head Teacher
Ms C Slattery, Assistant Head Teacher
Ms K Cleverley, Finance Manager
Mr D Thorley, Estates Manager

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2012**

Advisers (continued)

Auditors

Moore Stephens, Statutory Auditor, 6 Ridge House, Ridgehouse Drive, Festival Park, Stoke-on-Trent, Staffordshire, ST1 5TL

Bankers

HSBC Bank PLC, Crown Bank, Hanley, Stoke on Trent, Staffordshire, ST1 1DA

Lloyds TSB, Fountain Square, Hanley, Stoke on Trent, Staffordshire, ST1 1LE

Solicitors

Stone King Solicitors LLP, 13 Queen Square, Bath, BA1 2HJ

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
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**GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2012**

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2012

Structure, governance and management

a. Constitution

The Academy Trust is known as St Joseph's College Edmund Rice Trust and is a company limited by guarantee and an exempt charity. The Academy's memorandum and articles of association are the primary governing documents of the Academy Trust.

The company directors act as trustees for the charitable activities of the Academy Trust and are also school governors. There are additional school governors who are not company directors.

The Members of the Academy comprises

The first member of the Academy Trust shall be the Congregation which shall subscribe to the Memorandum. Subsequent members of the academy Trust shall be,

- a) Up to three members appointed by the Congregation, and
- b) The Chairman of the Governors
- c) 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose
- d) Any person appointed where the Members may agree unanimously in writing to appoint such additional members as they think fit and may unanimously in writing agree to remove such additional members

During the Period ended 31 August 2012 there was no person appointed by the Secretary of State.

The Governing Body meets regularly and is advised by a range of sub-committees which include the Finance, Estates, Audit, Admissions, Safeguarding, and Personnel Committees. Committees operate under terms of reference approved by the Governing Body and enable the roles and responsibilities of the Governing Body to be fulfilled through close collaboration with the Senior Leadership Team.

Members' Liability

The liabilities of the Members of the Academy are limited. Every Member undertakes to contribute such amounts as may be required (not exceeding £10) to the Academy's assets if it should be wound up while he or she is a member.

Governors' Indemnities [see Companies Act 2006 s236]

The Academy's insurers indemnify against any claims in respect of civil liability which arises out of the conduct of the Insured in their personal capacity as a Director, Governor or Officer of the Academy.

The principal object and activity of the Academy is to provide education for boys and girls between the ages of 11 and 18, who are selected partly by academic merit and by faith, sibling and distance criteria.

In accordance with the articles of association the Academy has adopted a funding agreement approved by the Secretary of State for Education. The funding agreement specifies, amongst other things, the basis for admitting pupils to the Academy and that the Academy will provide a broad and balanced curriculum.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Principal Activities

The current priorities for the Academy during the year ended 31 August 2012 are summarised below,

**STRIVING FOR EXCELLENCE
(ACHIEVEMENT)**

- Improving academic standards
- Ensuring that all subject areas are outstanding

**EDUCATION AS A CHRISTIAN CALLING
(TEACHING & LEARNING)**

- Enabling all teaching to be outstanding
Ensuring that all assessment and feedback informs outstanding learning and progress

**CONCERN FOR THE WHOLE PERSON
(BEHAVIOUR & SAFETY)**

- Securing the highest levels of participation and engagement
- Achieving consistently outstanding behaviour

**BUILDING A CHRISTIAN COMMUNITY
(LEADERSHIP)**

- Strengthening the spiritual development of our community
- Ensuring that all leadership is outstanding
- Enhancing partnerships with other schools

The Academy will conduct the school's business in accordance with the highest standards of selflessness, integrity, objectivity, accountability, openness, honesty and leadership thereby complying with all appropriate statutory and curriculum requirements. Furthermore the Academy will abide by the core principles of good governance for public services

- 1) Engaging with stakeholders and making accountability real
- 2) Performing effectively in clearly defined functions and roles
- 3) Promoting values and demonstrating good governance through behaviour
- 4) Focusing on purpose and outcomes
- 5) Developing the capacity and capability for the governing body and senior management to be effective
- 6) Taking informed transparent decisions and managing risk

b. Method of recruitment and appointment or election of Governors

The Academy Trust has the following Governors and methods of appointment,

- a) up to 11 Governors appointed
- b) up to 4 parent Governors (elected)
- c) up to 3 staff Governors (elected)
- d) the principal
- e) any additional Governors
- f) any further Governors
- g) up to 4 Co-opted Governors (appointed)

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Term of office

The members of the Governing Body of the predecessor school as at 31st January 2011 shall be the initial Governors and their terms of office shall expire as and when they would have expired had they remained as Governors of the predecessor school

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Principal Subject to remaining eligible to be a particular type of Governor, any Governor may be re-elected

c. Policies and procedures adopted for the induction and training of Governors

Upon their appointment, Governors are provided with the policies and a selection of papers that bring them up to date with current business and with issues of major importance. There is also an induction session. Some training opportunities are provided by external organisations

d. Organisational structure

The organisation structure consists of three levels: the Governors, (three of whom are statutory directors), Senior Leadership Team and the Middle Leaders (Subject and Year Heads). The aim of the leadership and management structure is to devolve responsibility and encourage involvement in decision making at all levels

The Governing Body, lead effectively by the Chair of Governors, are responsible for setting policies, adopting the annual School Improvement Plan and budgets, making major decisions about the direction of the academy, capital projects and senior staff appointments. The Governing Body delegates powers to various sub-committees to monitor and make decisions. The day to day management and operations of the academy is devolved to the Senior Leadership Team which comprises of the Head teacher (who acts as the Accounting Officer), two Deputy Heads, five Assistant Heads, Finance Manager and Estates Manager. The Senior Leadership team is responsible for the authorisation of spending within the agreed budgets as set by the Governors, and some budgets are devolved to middle leaders with limits that the Senior Leaders must countersign. The Senior and Middle Leaders are also responsible for organising the teaching and support staff, facilities and pupils across curriculum and pastoral sectors and for all stages of the Academy

e. Connected organisations, including related party relationships

There is a related but wholly independent charitable undertaking, St Joseph's College Parent Teacher & Friends Association which is the parents' association

f. Risk management

All major risks to which the Academy is exposed have been reviewed by the Governing Body. Systems including operating, financial and compliance controls have been established to mitigate those risks. Governors have determined major risks to the Academy, the likelihood of those risks materializing and the potential impact of the risks

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Objectives and Activities

a. Objects and aims

The Academy Trust's objective is specifically restricted to advance the public benefit education in the United Kingdom, in particular but without prejudice to the generally of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Roman Catholic Character offering a broad and balanced curriculum in accordance with the principals, practices and tenets of the Roman Catholic church and in accordance with the Trust Deed of the Congregation and the religious and educational philosophy of the Edmund Rice schools as set out in the Essential Elements

b. Objectives, strategies and activities

The Academy's main strategy is encompassed in its mission statement

St Joseph's College seeks to develop the whole person. We are a Catholic School inspired in our mission by the vision of life that is found in the teaching of the Gospel, the Church, and in Jesus, who came that we 'may have life and have it to the full'

In striving to fulfill this mission the Academy continues the work of the Congregation of Christian Brothers and its founder Blessed Edmund Rice. In practice this means that it seeks to

- Encourage, support and inspire young people and the wider school community in the journey of faith
- Create a well-ordered community where everyone is valued and respected
- Develop the intellectual, creative, physical, spiritual and religious potential of every pupil and encourage involvement in extra-curricular activities such as sport, music, drama and community service
- Work in partnership with parents, parishes, local industry and commerce, and the wider community in a spirit of mutual service for the benefit of all
- Prepare our young people for life beyond school and in particular develop personal integrity, moral values and a sense of justice so that they "act justly, love tenderly and walk humbly with God" (Micah 6:8)

The School Improvement Plan has three components

- Maintaining and extending existing strengths
- Addressing areas of weakness identified from self-evaluation
- Responding to new local and national initiatives

Examples of these activities include

STRIVING FOR EXCELLENCE

- Improving academic standards
- Ensuring that all subject areas are outstanding

EDUCATION AS A CHRISTIAN CALLING

- Enabling all teaching to be outstanding
- Ensuring that all assessment and feedback informs outstanding learning and progress

CONCERN FOR THE WHOLE PERSON

- Securing the highest levels of participation and engagement
- Achieving consistently outstanding behaviour

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

BUILDING A CHRISTIAN COMMUNITY

- Strengthening the spiritual development of our community
- Ensuring that all leadership is outstanding
- Enhancing partnerships with other schools

c. Public benefit

The Governors acknowledge the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit. We have referred to this guidance when reviewing our aims, strategy and in planning future activities. All activities undertaken by the Academy are for public benefit.

The Academy is specifically restricted to advance for the public benefit in education in the United Kingdom and reports annually on the ways in which it has successfully delivered in this regard.

Achievements and performance

a. Going concern

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

b. Review of activities

St Joseph's College, an Edmund Rice school was founded in 1932 and as an outstanding school converted to academy status in February 2011.

The school is oversubscribed at Year 7 with an entry of 120 students. Post-16 the school is also oversubscribed and accepts over 100 students into Year 12 from local 11-16 schools. Total pupil numbers in September 2012 were 1061 (decreased from 1068 in 2011). All year groups have a full complement.

Public examination results at all levels are outstanding. The school regularly appears in the top 200 schools list in The Times at both GCSE and A level. At GCSE the percentage of students achieving 5A*-C including English and Maths has remained above 90% since 2008 (95% in 2012). 5A*-G is consistently 100%. Numbers of students achieving an A*-C in MFL remain significantly above the national average (89% 2012), and students achieving two A*-C in sciences is at 99%. All subjects at GCSE show a positive comparison to national cohorts. National indicators show that progress in English and Maths places the College in the top 10% of similar schools.

At A level, results show the school performs well above the national standards, with consistently over 60% of grades being A*-B (66% 2012) and over 99% of grades being A*-E.

To ensure that standards are continually raised the school operates a robust self evaluation and review programme. Senior line managers frequently and regularly monitor student level progress with Subject Leaders. All Subject Leaders are experienced in leading reviews of other departments and annual departmental peer reviews take place. Senior staff monitor on a termly basis, through learning walks, lesson observations and work scrutinies, the quality of teaching and learning. Good practice in teaching and learning is regularly shared at departmental and whole staff meetings. Data analyses compare the school's standards with that of the best.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

schools nationally, and the College subscribes to various performance national analyses to benchmark performance at student, subject and whole school level and to provide robust and ambitious targets for individual students

Key Performance Indicators,

- All members of the community are inspired in their journey of Faith by the supportive Christian ethos
- All students regularly participate in collective worship, including Mass and the Sacrament of Reconciliation
- All students demonstrate a personal integrity and strong moral values
- All students actively participate in community work
- Many students participate successfully in competitive sporting fixtures
- 100% of students achieve 5 or more good GCSEs
- 99% of students pass all their A level courses
- Over 90% of students progress to a suitable university course, other appropriate higher education or apprenticeship
- Some students progress to work in the Church
- Some students continue to teacher training
- Some students go on to attend Oxford or Cambridge

Analysis of employee matters,

- All advertisements for new posts generate a high level of interest, large number of applicants and subsequent appointments are always of a high quality
- There has been an increase in staff numbers from 2008 from 117 to 127
- There is excellent retention of support staff Two of four support staff to have left support roles in the past two years have changed careers to enter teaching
- There is excellent development of staff to leadership roles Since 2010 12 new leadership roles have been introduced, 11 of which have been filled by internal candidates New opportunities for staff to support and mentor colleagues from other schools have been taken by 5 of our middle leaders in the past two years
- 21% of staff who have left school during the past two years moved to a promotion or change in career, while 17% have retired

Financial review

a. Financial and risk management objectives and policies

In accordance with the Academies statutes, the Governors and senior staff are responsible for the administration and management of the Academies affairs They are responsible for ensuring that

- there is an effective system of internal control and that accounting records are properly kept,
- there are appropriate financial and management controls in place to safeguard the assets of the Academy and prevent and detect fraud, and
- the Academy secures economical, efficient and effective management of its resources and expenditure

b. Principal risks and uncertainties

The principal goal for the Academy is to safeguard its long-term ability to continue to deliver an outstanding education to its students and to grow, maintain and renew its physical facilities appropriately within space constraints

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

One of the academies main uncertainties is the impact of Government funding changes and the current uncertain economic climate and financial environment

c. Reserves policy

The Academy has a rolling program of improvements both to its physical and technological infrastructure. An Estates Committee is set up to manage these projects through careful planning and the Governors and Senior Leadership Team considers there is a need to maintain a level of reserves sufficient to meet these commitments. Projects to be considered in the future include an extended music facility and sixth form facilities improvement.

d. Financial Review

The School converted from an outstanding school to Academy status on 1st February 2011. The school is a split site school comprising of the main school site, off site playing fields, a VI form building and an additional VI form Resource Centre purchased with capital funding from the EFA. The Academy took over the existing lease of the VI form building and signed a new lease for the main school with the Academies Trustees. The Academy also took on the Local Government Pension Scheme liability.

The Academies principal income is from the EFA in the form of recurrent, restricted grants. The grants received during the year ended 31 August 2012 and associated expenditure are shown in the Statement of Financial Activities.

The Academy also received grants for fixed assets from the EFA. In accordance with the Charities Statement of recommended Practice, 'Accounting and Reporting Charities (SORP 2005)', such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

During the year ended 31 August 2012, total expenditure of £6,287,000 was covered by the recurrent grant funding from the EFA with other incoming resources. The net incoming resources for the year was £6,748,000 made up from £442,000 of grants for fixed assets, £5,879,000 restricted fund including the form of the recurrent grant and £427,000 from funds generated from other activities.

At 31 August 2012 the net book value of the fixed assets was £513,000. Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The deficit of the Local Government Pension Scheme (LGPS) is recognized on the balance sheet in accordance with FRS17. At 31 August 2012, the deficit stood at £503,000. The deficit acquired by the Academy at commencement of academy status 1st February 2011 was £380,000.

e. Material investments policy

Under current circumstances the financial constraints of Academy do not allow for fund investment. If the situation should arise the schools investment policy would seek to achieve a high quality return ensuring consideration to social and environment issues as well as to the ethos of the school.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Plans for the future

a. Future developments

Teaching school

As an Ofsted rated outstanding academy with a NLE as its Head Teacher and a strong track record of providing school-to-school support, Initial Teacher Training, CPD and succession planning, we have been designated by the government as a Teaching School. This means that we will continue, with the support of the NCSL, to work with our own staff and those of other schools both within and outside our Alliance to improve the quality of teaching and system leadership in a number of areas called 'the big 6'

School-to-school support

- Outreach teaching including MFL, maths, DT, music, science
- Outreach leadership including NLE support to other schools/head teachers, department reviews, peer mentoring of other SLTs by SLT, acting head teacher and assistant head teachers of converting academies by SLT/middle leaders

CPD (Continuing Professional Development)

- Joint INSET days/twilight sessions with local secondary schools on progress/Ofsted framework/coaching skills
- Bespoke INSET focusing on teaching and learning workshops lead by our best practitioners
- Sharing good practice with other schools on school improvement from SLT/middle leaders
- Cohorts of local teachers engaging in our ITP (Improving Teacher Programme) lead by outstanding practitioners from our staff as facilitators
- Chairs of Governors Leadership Development Programme hosted at St Joseph's College

ITT (Initial Teacher Training)

- Outstanding Professional and Subject Mentors for Stoke GTP (Stoke GTP Ofsted/area inspections/MMU quality assurance)
- 100% of trainees pass training year as good or outstanding
- 100% of trainees gain NQT positions whilst in their training year
- Director of Teaching School is Final Moderator for trainees on the Stoke GTP
- St Joseph's College Stoke Secondary Partnership is our newly forming SCITT (school centred initial teacher training), gaining accreditation from the Teaching Agency to run ITT in the local area with trainees gaining QTS whilst following our training programme within our partnership of schools

SLE (Specialist Teachers of education)

- Recruiting, deploying and quality assuring the outreach work of outstanding leaders from within and outside our school in other schools

Talent management and succession planning (springing from the above)

Research and Development (springing from the above)

St Joseph's College will continue to work to maintain its outstanding ratings from Ofsted and its outstanding academic success whilst securing its place in the national development of education including teaching school status and potential academy sponsorship. Our key aims will remain to provide young people with an education which prepares them for life beyond school so that they are able to be the leaders of tomorrow, acting justly and with integrity and moral purpose.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

Provision of information to auditors

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information

This report was approved by order of the members of the governing body on 11 December 2012 and signed on its behalf by



.....
S Whitehouse
Chair of governors

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that St Joseph's College Edmund Rice 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 governing body has delegated the day-to-day responsibility to the Principal, as Accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Joseph's College Edmund Rice Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The governing body has formally met 3 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Mr M Phelan	3	3
Mrs M Broader	2	3
Mrs R Maguire	3	3
Mr D O'Neill	3	3
Mr T Duffy	0	3
Mr J Martin	2	2
Mr Borthwick	3	3
Mr S Whitehouse	3	3
Mr J Heath	2	3
Mrs M Earl	1	2
Mrs K Cleverley	2	3
Mr P Honeyfield	3	3
Miss L Winterburn	2	3
Mr R Talbot	2	2
Mr M Wishaw	3	3
Br J Catterson	3	3
Mr N Dodd	3	3
Mr W Hammond	2	2
Mr A Kennedy	3	3
Mr A Franks	3	3
Mr P Robinson	1	3
Mr N Atkins	1	1
Mrs V Broomhall	0	0
Mrs C Machin	0	0
Dr M Robinson	0	0
Mrs S Scott	1	1

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GOVERNANCE STATEMENT (continued)

The **Finance and General Purposes Committee** is a sub-committee of the main governing body. Its purpose is to provide oversight of the utilisation of the financial resources of the academy trust.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs R Maguire	8	8
Mr T Duffy	2	8
Mr S Whitehouse	6	8
Mr J Heath	8	8
Mrs K Cleverley	8	8
Mr R Talbot	6	8
Mr A Kennedy	5	8
Mrs S Scott	5	5

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 ongoing 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 Joseph's College Edmund Rice Academy Trust for the year ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governing body has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The Risk and Control Framework

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

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

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed M Phelan, a Governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the RO reports to the governing body on the operation

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GOVERNANCE STATEMENT (continued)

of the systems of control and on the discharge of the governing body's financial responsibilities

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,
- the work of the external auditor,
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework

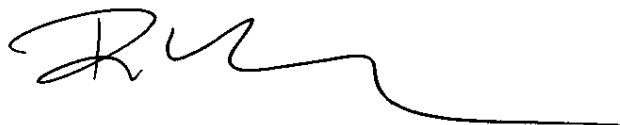
The Accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place

Approved by order of the members of the governing body on 11 December 2012 and signed on their behalf, by

Mr S Whitehouse
Chair of governors



Mrs R Maguire
Accounting officer



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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting officer of St Joseph's College Edmund Rice Academy Trust I have considered my responsibility to notify the academy governing body 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy governing body 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's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



Mrs R Maguire
Accounting officer

Date 11 December 2012

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**GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2012**

The Governors (who act as trustees for charitable activities of St Joseph's College Edmund Rice Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to

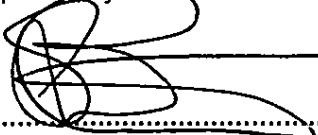
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the governing body on 11 December 2012 and signed on its behalf by



.....
Mr S Whitehouse
Chair of governors

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST JOSEPH'S COLLEGE EDMUND RICE
ACADEMY TRUST**

We have audited the financial statements of St Joseph's College Edmund Rice Academy Trust for the year ended 31 August 2012 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) and the Annual Accounts Direction 2011/12 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' responsibilities statement, the Governors (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's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 2012 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 and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

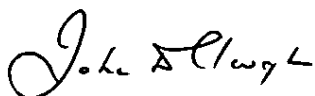
ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST JOSEPH'S COLLEGE EDMUND RICE
ACADEMY TRUST**

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 governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



John D Clough (Senior statutory auditor)
for and on behalf of

Moore Stephens, Statutory Auditor

Chartered Accountants

Registered Auditors

6 Ridge House

Ridgehouse Drive

Festival Park

Stoke-on-Trent

Staffordshire

ST1 5TL

Date 20/12/12

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST JOSEPH'S COLLEGE
EDMUND RICE ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 26 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Joseph's College Edmund Rice Academy Trust during the year 1 September 2011 to 31 August 2012 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 Joseph's College Edmund Rice Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Joseph's College Edmund Rice Academy Trust 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 Joseph's College Edmund Rice Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of St Joseph's College Edmund Rice Academy Trust's Accounting officer and the auditors

The Accounting officer is responsible, under the requirements of St Joseph's College Edmund Rice Academy Trust's funding agreement with the Secretary of State for Education dated 28 January 2011, and the Academies Financial Handbook as published by DfES in 2012, 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 2011/12. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2011 to 31 August 2012 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 2011/12 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's income and expenditure

Our work comprised
consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance,
analytical procedures on the general activities of the academy trust,
a review of minutes of committees and board meetings which may be relevant to regularity,
consideration of discussions with key personnel including the accounting officer and governing body,


ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST JOSEPH'S COLLEGE
EDMUND RICE ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

tests of control have been carried out on a control activity which are relevant to regularity and,
on a sample basis, substantive testing of individual transactions

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 year 1 September 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Moore Stephens, Statutory Auditor
Chartered Accountants
Registered Auditors

6 Ridge House
Ridgehouse Drive
Festival Park
Stoke-on-Trent
Staffordshire
ST1 5TL

Date 2012/12

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2012

	Note	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £	Total funds 2011 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	3	2,036	-	33,500	35,536	-
Activities for generating funds	4	423,934	226,909	-	650,843	648,640
Investment income	5	1,162	-	-	1,162	-
Incoming resources from charitable activities	6	-	5,652,064	408,625	6,060,689	3,422,848
TOTAL INCOMING RESOURCES		427,132	5,878,973	442,125	6,748,230	4,071,488
RESOURCES EXPENDED						
Charitable activities	13	25,711	6,108,181	115,255	6,249,147	3,909,509
Governance costs	8	-	37,721	-	37,721	10,029
Other resources expended	9	-	-	-	-	180,633
TOTAL RESOURCES EXPENDED	12	25,711	6,145,902	115,255	6,286,868	4,100,171
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		401,421	(266,929)	326,870	461,362	(28,683)

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2012

	Note	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £	Total funds 2011 £
Transfers between Funds	22	(263,296)	210,389	52,907	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		138,125	(56,540)	379,777	461,362	(28,683)
Actuarial gains and losses on defined benefit pension schemes		-	(138,000)	-	(138,000)	41,000
NET MOVEMENT IN FUNDS FOR THE YEAR		138,125	(194,540)	379,777	323,362	12,317
<i>Total funds at 1 September 2011</i>		<i>244,640</i>	<i>(300,723)</i>	<i>68,400</i>	<i>12,317</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2012		382,765	(495,263)	448,177	335,679	12,317

All activities relate to continuing operations

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

The notes on pages 25 to 45 form part of these financial statements

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 7490390

BALANCE SHEET
AS AT 31 AUGUST 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	18		505,902		171,821
CURRENT ASSETS					
Debtors	19	193,852		207,018	
Cash at bank		626,682		631,268	
		<u>820,534</u>		<u>838,286</u>	
CREDITORS: amounts falling due within one year	20	(487,757)		(583,065)	
NET CURRENT ASSETS			332,777		255,221
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>838,679</u>		<u>427,042</u>
CREDITORS: amounts falling due after more than one year	21		-		(57,725)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			838,679		369,317
Defined benefit pension scheme liability	28	(503,000)		(357,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>335,679</u>		<u>12,317</u>
FUNDS OF THE ACADEMY					
Restricted funds					
Restricted funds	22	7,737		56,277	
Restricted fixed asset funds	22	448,177		68,400	
		<u>455,914</u>		<u>124,677</u>	
Restricted funds excluding pension liability					
Pension reserve		(503,000)		(357,000)	
			<u>(47,086)</u>		<u>(232,323)</u>
Total restricted funds					
Unrestricted funds	22		382,765		244,640
TOTAL FUNDS			<u>335,679</u>		<u>12,317</u>

The financial statements were approved by the Governors, and authorised for issue, on 11 December 2012 and are signed on their behalf, by



Mr S Whitehouse

The notes on pages 25 to 45 form part of these financial statements

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	24	162,967	602,346
Returns on investments and servicing of finance	25	(48,472)	(31,746)
Capital expenditure and financial investment	25	(39,641)	12,318
CASH INFLOW BEFORE FINANCING		74,854	582,918
Financing	25	(79,440)	(14,624)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(4,586)	568,294

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2012**

	2012 £	2011 £
(Decrease)/Increase in cash in the year	(4,586)	568,294
Cash outflow from decrease in debt and lease financing	79,440	14,624
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	74,854	582,918
New finance lease	-	(118,455)
Loan acquired	-	(33,334)
MOVEMENT IN NET FUNDS IN THE YEAR	74,854	431,129
Net funds at 1 September 2011	494,103	62,974
NET FUNDS AT 31 AUGUST 2012	568,957	494,103

The notes on pages 25 to 45 form part of these financial statements

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES (continued)

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy is legally entitled to the income and the amount can be quantified with reasonable accuracy

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.6 Going concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of the approval of the financial statements.

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised

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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	over 50 years
Motor vehicles	-	over five years
Fixtures and fittings	-	over five years
ICT Equipment	-	over four years

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the academy. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.9 Taxation

The academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

2. GENERAL ANNUAL GRANT (GAG)

	2012 £	2011 £
Result and Carry Forward for the Year		
GAG Brought forward from previous year	56,277	-
GAG Allocation for current year	5,016,648	2,800,376
Total GAG Available to spend	5,072,925	2,800,376
Recurrent expenditure from GAG	(4,939,700)	(2,742,099)
Fixed assets purchased from GAG	(59,794)	(2,000)
Maintenance expenditure on capital assets	(73,431)	-
GAG Carried forward to next year	-	56,277
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(601,998)	(336,045)
GAG to surrender to DfE	(601,998)	(279,768)
(12% rule breached if result is positive)	No breach	No breach
Use of GAG brought forward from previous year for recurrent purposes		
(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes, Any balance, up to a maximum of 12%, can only be used for capital purposes)		
Recurrent expenditure from GAG in current year	4,939,700	2,742,099
GAG allocation for current year	(5,016,648)	(2,800,376)
GAG allocation for previous year x 2%	(56,008)	-
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(132,956)	(58,277)
(2% rule breached if result is positive)	No breach	No breach

3. VOLUNTARY INCOME

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Donations	2,036	33,500	35,536	-

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

4. TRADING ACTIVITIES

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Charity trading income				
Outreach income	25,422	-	25,422	80,030
Extended schools income	6,847	-	6,847	37,907
Cluster 4 income	8,501	-	8,501	190,957
School trips	-	226,909	226,909	158,986
Catering income	268,377	-	268,377	137,944
Other activities for generating funds	114,787	-	114,787	42,816
	<u>423,934</u>	<u>226,909</u>	<u>650,843</u>	<u>648,640</u>
Net income from trading activities	<u>423,934</u>	<u>226,909</u>	<u>650,843</u>	<u>648,640</u>

5. INVESTMENT INCOME

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Investment income	<u>1,162</u>	<u>-</u>	<u>1,162</u>	<u>-</u>

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Academy's educational operations	<u>-</u>	<u>6,060,689</u>	<u>6,060,689</u>	<u>3,422,848</u>

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
DfE/YPLA capital grant	-	408,625	408,625	21,432
General Annual Grant (GAG) (note 2)	-	5,016,648	5,016,648	2,800,376
Other DfE/YPLA Grants	-	635,416	635,416	529,213
School Standards Fund	-	-	-	44,741
Other educational projects	-	-	-	27,086
	<u>-</u>	<u>6,060,689</u>	<u>6,060,689</u>	<u>3,422,848</u>

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Academy's educational operations	<u>25,711</u>	<u>6,223,436</u>	<u>6,249,147</u>	<u>3,909,509</u>

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2012 £	Depreciation 2012 £	Other costs 2012 £	Total 2012 £	Total 2011 £
Academy's educational operations	<u>4,415,950</u>	<u>114,941</u>	<u>1,718,256</u>	<u>6,249,147</u>	<u>3,909,509</u>

8. GOVERNANCE COSTS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Total funds 2011 £
Governance Auditors' remuneration	-	8,850	8,850	8,850
Governance Auditors' non audit costs	-	650	650	-
Legal & professional fees	-	28,221	28,221	1,179
	<u>-</u>	<u>37,721</u>	<u>37,721</u>	<u>10,029</u>

ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2012**

9. OTHER RESOURCES EXPENDED

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	<i>Total funds 2011 £</i>
Net liabilities inherited on inception	-	-	-	180,633

EXCEPTIONAL ITEMS

	2012 £	<i>2011 £</i>
Donations - capital items	-	(108,236)
Other donations	-	(91,131)
Pension scheme liability	-	380,000
Total	-	180,633

10. DIRECT COSTS

	Academy's educational operations £	Total 2012 £	<i>Total 2011 £</i>
Educational supplies	166,107	166,107	97,861
Examination fees	150,726	150,726	97,377
Staff development	18,331	18,331	8,264
Other direct costs	15,161	15,161	13,022
Wages and salaries	3,658,527	3,658,527	2,113,834
Pension cost	107,000	107,000	57,000
Depreciation	-	-	23,050
	4,115,852	4,115,852	2,410,408

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11. SUPPORT COSTS

	Academy's educational operations £	Total 2012 £	Total 2011 £
Pension income	16,000	16,000	11,000
Recruitment and support	17,461	17,461	6,057
Maintenance of premises and equipment	80,632	80,632	83,823
Equipment rental	32,843	32,843	26,684
Technology costs	93,652	93,652	64,736
Cleaning	140,459	140,459	77,689
Rent and rates	110,983	110,983	64,094
Insurance	69,223	69,223	43,141
Transport and security	50,464	50,464	25,523
Catering	325,390	325,390	173,089
Finance lease interest payable	49,634	49,634	31,746
Cluster 4 costs	-	-	193,120
School Trips	219,172	219,172	158,997
Other support costs	162,018	162,018	160,512
Wages and salaries	650,423	650,423	339,407
Depreciation	114,941	114,941	39,483
	<u>2,133,295</u>	<u>2,133,295</u>	<u>1,499,101</u>

12. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2012 £	Depreciation 2012 £	Other costs 2012 £	Total 2012 £	Total 2011 £
Academy's educational operations	4,415,950	114,941	1,718,256	6,249,147	3,909,509
Governance	-	-	37,721	37,721	10,029
Other resources expended	-	-	-	-	180,633
	<u>4,415,950</u>	<u>114,941</u>	<u>1,755,977</u>	<u>6,286,868</u>	<u>4,100,171</u>

13. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2012 £	Support costs 2012 £	Total 2012 £	Total 2011 £
Academy's educational operations	4,115,852	2,133,295	6,249,147	3,909,509

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14. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the charity	55,408	28,246
- held under finance leases	59,533	34,728
Auditors' remuneration	8,850	8,850
Net liabilities inherited on inception	-	180,633
	<u> </u>	<u> </u>

During the year, no Governors received any benefits in kind (2011 - £NIL)

During the year, no Governors received any reimbursement of expenses (2011 - £NIL)

15. STAFF COSTS

Staff costs were as follows

	2012 £	2011 £
Wages and salaries	4,308,950	2,453,241
Other pension costs (Note 28)	107,000	57,000
	<u>4,415,950</u>	<u>2,510,241</u>

The average number of persons (including the senior management team) employed by the academy during the year expressed as full time equivalents was as follows

	2012 No.	2011 No
Teachers	75	86
Administration and support	45	53
	<u>120</u>	<u>139</u>

The number of employees whose emoluments fell within the following bands was

	2012 No.	2011 No
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	0	1
In the band £110,001 - £120,000	0	1
In the band £120,001 - £130,000	1	0
	<u>3</u>	<u>3</u>

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GOVERNORS' REMUNERATION AND EXPENSES

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff and not in respect of their services as governors. Other governors did not receive any payments, from the academy trust in respect of their roles as governors. The value of governors remuneration was as follows

	12 months to August 2012 £	<i>7 months to August 2011 £</i>
R Maguire, Principal	125,000 - 130,000	<i>75,000 - 80,000</i>

16. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2012 was £69,223 (2011 - £43,141)

The cost of this insurance is included in the total insurance cost

17. OTHER FINANCE INCOME

	2012 £	<i>2011 £</i>
Expected return on pension scheme assets	26,000	<i>14,000</i>
Interest on pension scheme liabilities	(42,000)	<i>(25,000)</i>
	<u>(16,000)</u>	<i><u>(11,000)</u></i>

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18. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	ICT equipment £	Total £
Cost					
At 1 September 2011	-	30,616	173,775	30,404	234,795
Additions	407,916	-	14,853	25,843	448,612
Disposals	-	-	(573)	(340)	(913)
At 31 August 2012	407,916	30,616	188,055	55,907	682,494
Depreciation					
At 1 September 2011	-	4,755	47,245	10,974	62,974
Charge for the year	-	8,151	82,912	23,122	114,185
On disposals	-	-	(227)	(340)	(567)
At 31 August 2012	-	12,906	129,930	33,756	176,592
Net book value					
At 31 August 2012	407,916	17,710	58,125	22,151	505,902
At 31 August 2011	-	25,861	126,530	19,430	171,821

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2012 £	2011 £
Furniture, fittings and equipment	25,694	85,226

19. DEBTORS

	2012 £	2011 £
Trade debtors	41,789	13,069
Other debtors	55,916	73,700
Prepayments and accrued income	96,147	120,249
	193,852	207,018

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**20. CREDITORS:
Amounts falling due within one year**

	2012 £	2011 £
Other loans	-	33,334
Net obligations under finance leases and hire purchase contracts	57,725	46,106
Trade creditors	117,116	183,005
Social security and other taxes	147	-
Other creditors	14,355	63,295
Accruals and deferred income	298,414	257,325
	<u>487,757</u>	<u>583,065</u>

Deferred income

Deferred income at 1 September 2011	134,070
Resources deferred during the year	170,606
Amounts released from previous years	(134,070)
Deferred income at 31 August 2012	<u>170,606</u>

Net obligations under finance leases and hire purchase contracts are secured on the assets concerned

**21. CREDITORS:
Amounts falling due after more than one year**

	2012 £	2011 £
Net obligations under finance leases and hire purchase contracts	-	57,725

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2012 £	2011 £
Between one and five years	-	57,725

Net obligations under finance leases and hire purchase contracts are secured on the assets concerned

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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	244,640	427,132	(25,711)	(263,296)	-	382,765
Restricted funds						
General Annual Grant (GAG)	56,277	5,016,648	(5,283,314)	210,389	-	-
Other DfE/EFA Grants	-	635,416	(635,416)	-	-	-
School Trips	-	226,909	(219,172)	-	-	7,737
Pension reserve	(357,000)	-	(8,000)	-	(138,000)	(503,000)
	(300,723)	5,878,973	(6,145,902)	210,389	(138,000)	(495,263)
Restricted fixed asset funds						
DfE/EFA capital grants	-	21,786	(21,786)	-	-	-
Methodist Hall capital fund	-	420,339	-	-	-	420,339
General fixed asset fund	68,400	-	(93,469)	52,907	-	27,838
	68,400	442,125	(115,255)	52,907	-	448,177
Total restricted funds	(232,323)	6,321,098	(6,261,157)	263,296	(138,000)	(47,086)
Total of funds	12,317	6,748,230	(6,286,868)	-	(138,000)	335,679

The General Annual Grant (GAG) fund is for the charitable purposes of the Academy and applied under the EFA guidance

Other DfE/EFA grants are grants from the DfE and EFA which are not the GAG but are used for the charitable purposes of the Academy

The School Trips reserve relates solely to the income and expenditure relating to School Trips

The pension reserve relates to the Local Government Pension Scheme (LGPS)

Restricted fixed asset fund relates to assets purchased less depreciation

Transfers between the unrestricted general fund and the restricted GAG fund is for amounts expended by

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**NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (continued)

the academy above the GAG received

Transfers between the GAG fund and the Restricted fixed asset fund are for fixed assets purchased using GAG funding

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	244,640	427,132	(25,711)	(263,296)	-	382,765
Restricted funds	(300,723)	5,878,973	(6,145,902)	210,389	(138,000)	(495,263)
Restricted fixed asset funds	68,400	442,125	(115,255)	52,907	-	448,177
	<u>12,317</u>	<u>6,748,230</u>	<u>(6,286,868)</u>	<u>-</u>	<u>(138,000)</u>	<u>335,679</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £	Total funds 2011 £
Tangible fixed assets	-	-	505,902	505,902	171,821
Current assets	382,765	437,769	-	820,534	838,286
Creditors due within one year	-	(430,032)	(57,725)	(487,757)	(583,065)
Creditors due in more than one year	-	-	-	-	(57,725)
Provisions for liabilities and charges	-	(503,000)	-	(503,000)	(357,000)
	<u>382,765</u>	<u>(495,263)</u>	<u>448,177</u>	<u>335,679</u>	<u>12,317</u>

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24. NET CASH FLOW FROM OPERATING ACTIVITIES

	Continuing £	Discontinued £	2012 Total £	2011 £
Net incoming resources before revaluations	461,362	-	461,362	(28,683)
Returns on investments and servicing of finance	48,472	-	48,472	31,746
Depreciation of tangible fixed assets	114,185	-	114,185	-
Capital grants from DfE	(408,625)	-	(408,625)	(128,658)
Decrease/(increase) in debtors	13,166	-	13,166	(207,018)
(Decrease)/increase in creditors	(73,593)	-	(73,593)	536,959
FRS 17 adjustments	8,000	-	8,000	18,000
Opening pension scheme liability	-	-	-	380,000
Net cash inflow from operations			162,967	602,346

25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	1,162	-
Finance lease interest payable	(49,634)	(31,746)
Net cash outflow from returns on investments and servicing of finance	(48,472)	(31,746)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(448,612)	(9,114)
Sale of tangible fixed assets	346	-
Capital grants from DfE	408,625	21,432
Net cash (outflow)/inflow capital expenditure	(39,641)	12,318
Financing		
Repayment of other loans	(33,334)	-
New finance lease	-	-
Repayment of finance leases	(46,106)	(14,624)
Net cash outflow from financing	(79,440)	(14,624)

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26. ANALYSIS OF CHANGES IN NET DEBT

	1 September 2011 £	Cash flow £	Other non-cash changes £	31 August 2012 £
Cash at bank and in hand	631,268	(4,586)	-	626,682
Debt:				
Finance leases	(103,831)	46,106	-	(57,725)
Debts due within one year	(33,334)	33,334	-	-
Net funds	494,103	74,854	-	568,957

27. MAJOR NON-CASH TRANSACTIONS

On conversion to academy status in 2011 the Academy acquired office equipment and associated finance obligations of £118,455. The Academy also acquired a loan obligation of £33,334 payable to the Congregation of Christian Brothers Trustees.

28. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Staffordshire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2012.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts, are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as you go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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28. PENSION COMMITMENTS (continued)

The Government Actuary ('GA'), using normal actuarial principles, conducts formal actuarial reviews of the TPS. The aim of the reviews is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ('SCR') is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Reporting Standard (FRS17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2012 was £75,066, of which employer's contributions totalled £55,744. The agreed contribution rate for future years are 19.9% in 2012/13, 20.8% in 2013/14 and in 2014/15 21.6% for employers and, depending on salary, 5.5% to 7.5% for employees.

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28. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows

	2012 £	2011 £
Present value of funded obligations	(1,040,000)	(699,000)
Fair value of scheme assets	537,000	342,000
	<u>(503,000)</u>	<u>(357,000)</u>
Net liability	<u>(503,000)</u>	<u>(357,000)</u>

The amounts recognised in the Statement of financial activities are as follows

	2012 £	2011 £
Current service cost	(107,000)	(57,000)
Interest on obligation	(42,000)	(25,000)
Expected return on scheme assets	26,000	14,000
	<u>(123,000)</u>	<u>(68,000)</u>
Total	<u>(123,000)</u>	<u>(68,000)</u>
Actual return on scheme assets	<u>43,000</u>	<u>(12,000)</u>

Movements in the present value of the defined benefit obligation were as follows

	2012 £	2011 £
Opening defined benefit obligation	699,000	668,000
Current service cost	107,000	57,000
Interest cost	42,000	25,000
Contributions by scheme participants	37,000	18,000
Actuarial Losses/(gains)	155,000	(69,000)
Opening defined benefit obligation	-	-
	<u>1,040,000</u>	<u>699,000</u>
Closing defined benefit obligation	<u>1,040,000</u>	<u>699,000</u>

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28. PENSION COMMITMENTS (continued)

Movements in the fair value of the academy's share of scheme assets

	2012	2011
	£	£
Opening fair value of scheme assets	342,000	288,000
Expected return on assets	26,000	14,000
Actuarial gains and (losses)	17,000	(28,000)
Contributions by employer	115,000	50,000
Contributions by employees	37,000	18,000
	537,000	342,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(97,000) (2011 - £41,000)

The academy expects to contribute £130,000 to its Defined benefit pension scheme in 2013

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages)

	2012	2011
Discount rate for scheme liabilities	4.10 %	5.40 %
Expected return on scheme assets at 31 August	4.90 %	6.20 %
Rate of increase in salaries	4.50 %	4.90 %
Rate of increase for pensions in payment / inflation	2.20 %	2.60 %

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

	2012	2011
Retiring today		
Males	21.2	21.2
Females	23.4	23.4
Retiring in 20 years		
Males	23.3	23.3
Females	25.6	25.6

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28. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows

Defined benefit pension schemes

	2012 £	2011 £
Defined benefit obligation	(1,040,000)	(699,000)
Scheme assets	537,000	342,000
Deficit	(503,000)	(357,000)
Experience adjustments on scheme liabilities	(155,000)	69,000
Experience adjustments on scheme assets	17,000	(28,000)