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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

THURSDAY



A3YNW7Y8

A11

08/01/2015

#57

COMPANIES HOUSE

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

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Trustees' responsibilities statement	17
Independent auditors' report	18 - 19
Independent reporting accountant's assurance report on regularity	20 - 21
Statement of financial activities	22 - 23
Balance sheet	24 - 25
Cash flow statement	26
Notes to the financial statements	27 - 49

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Trustees

Mr N Atkins
Rev T Borthwick
Mrs V Broomhall (resigned 18 July 2014)
Br J Catterson
Mr N Dodd
Mr T Duffy
Mr A Franks
Mrs C Machin
Ms R Maguire
Mr D O'Neill
Mr M Phelan
Dr M Robinson
Mr P Robinson
Mrs S Scott
Mr R Selby
Mr S Whitehouse
Mrs M Wilshaw
Mrs J Phillips (appointed 17 October 2013)
Mr J Devine (appointed 23 October 2013)
Mr G Higgins (appointed 23 October 2013)
Mrs M Hilton (appointed 28 November 2013)
Mr D Kavanagh

Members

Mr K Mullen
Mr E J Coupe
Mr P Gordon

Company registered number

7490390

Principal and 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 D McKenna, 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

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Administrative details (continued)

Mrs J Hendon, Business Manager

Independent 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
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014.

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 statutory directors act as the trustees for the charitable activities of Companies Act 2006. The statutory directors are also the directors of the Academy and with others appointed and elected in accordance with the Articles of Association comprise the Board of Governors of the Academy. The Governors/Directors are also Trustees for the purpose of charity law.

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 year ended 31 August 2014 there was no person appointed by the Secretary of State.

The Governing Body meets regularly and is advised by a range of sub-committees that include the Finance, Estates, Audit, Admissions, Safeguarding, and Personnel. 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.

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.

Principal Activities

The current priorities for the Academy during the year ended 31 August 2014 are summarised below;

STRIVING FOR EXCELLENCE
(ACHIEVEMENT)

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- To ensure outstanding progress for all
- To secure consistent marking and feedback

CONCERN FOR THE WHOLE PERSON
(BEHAVIOUR)

- To enhance the resilience of our young people
- To further strengthen the spiritual life of the school

EDUCATION FOR THE CHRISTIAN CALLING
(TEACHING AND LEARNING)

- To promote new pathways of learning
- To promote the highest levels of literacy and numeracy
- To implement the SEND code of practice

EDUCATION FOR JUSTICE
(LEADERSHIP)

- To create a vision for the curriculum changes
- To fortify leadership

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. 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.

c. Method of recruitment and appointment or election of Trustees

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)

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

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.

d. Policies and procedures adopted for the induction and training of Trustees

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.

e. 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, led 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, Business Manager, Finance Manager, HR 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.

f. 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.

g. 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.

h. Trustees' indemnities

The academy has obtained indemnity insurance to cover the liability of Members and Governors in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy. Insurer, ACE European Group Ltd:- to the value of £1,000,000.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

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 fulfil 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
(ACHIEVEMENT)

- To ensure outstanding progress for all
- To secure consistent marking and feedback

CONCERN FOR THE WHOLE PERSON
(BEHAVIOUR)

- To enhance the resilience of our young people
- To further strengthen the spiritual life of the school

EDUCATION FOR A CHRISTIAN CALLING

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

(TEACHING & LEARNING)

- To promote new pathways to learning
- To promote the highest levels of literacy and numeracy
- To implement the SEND code of practice

EDUCATION FOR JUSTICE
(LEADERSHIP)

- To create a vision for the curriculum changes
- To fortify leadership

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.

Strategic report

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 150 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 October 2014 were 1098 (increased from 1080 in 2013). All year groups have a full complement.

Public examination results are outstanding. At GCSE the percentage of students achieving 5A*-C including English and maths has remained above 90% since 2008 (97% in 2014). National indicators show that progress in both English and maths between key stages 2 and 4 are well above the levels expected given the students' starting points.

At A level, results show the school performs well above the national standards, with the percentage of A* to B grades at 58% in 2014 (national figure = 52%). In addition, 99.8% of grades were at A*-E.

To ensure that standards are continually raised the school operates a robust self-evaluation and review

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

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 the quality of teaching and learning on a termly basis through learning walks, lesson observations and work scrutinies. Good practice in teaching and learning is regularly shared at departmental and whole staff meetings. Data analyses compare the schools standards with that of the best schools nationally, and the College subscribes to national databases (e.g. ALPS, fflive) 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.
- 97% of students achieve 5 or more good GCSEs (inc. English and Mathematics).
- 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 142.
- There is excellent retention of support staff. Two support staff have left their support roles in the past years to enter into teaching.
- There is excellent development of staff to leadership roles. In the last 2 years our turnover of 40 staff comprised of 5 retiring, 3 leadership roles, 4 graduate teachers and the remaining moved to promotion or career change.
- Opportunities for staff to support and mentor colleagues from other schools have been taken by 3 of our middle leaders in the past 2 years.

c. Investment policy

Under current circumstances the financial constraints of Academy do not allow for large fund investment. Where possible the schools investment policy seeks to achieve a high quality return ensuring consideration to social and environment issues as well as to the ethos of the school.

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:

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- 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.

One of the academy's 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 trustees have reconsidered the treatment of land and buildings occupied by the academy on conversion. As a result the results for 2013 have been restated. Full details of the prior year adjustment are shown in note 1.11 to the financial statements.

The Academies principal income is from the EFA in the form of recurrent, restricted grants. The grants received during the year ended 31 August 2014 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 2014, the total incoming resources for the year was £7,036,000 made up from £22,000 of grants for fixed assets, £6,618,000 restricted fund, including the form of the recurrent grant and £499,000 from funds generated from other activities, and £396,000 of unrestricted fund. Total resources expended were £7,290,000.

At 31 August 2014 the net book value of the fixed assets was £9,362,000. Movements in tangible fixed assets are shown in note 17 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 recognised on the balance sheet in accordance with FRS17. At 31 August 2014, the deficit stood at £1,028,000. The deficit acquired by the

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Academy at commencement of academy status 1st February 2011 was £380,000.

Plans for future periods

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 NCTL, 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'. To-date the following work has been undertaken:

School-to-school support:

- Outreach secondary teaching including MFL, maths, DT, music, science, primary maths/science, PRU maths
- 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 and coaching

CPD (Continuing Professional Development)

- Joint INSET days/twilight sessions with local secondary schools on progress/Ofsted framework/coaching skills/curriculum development
- 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) and OTP (Outstanding Teacher Programme) lead by outstanding practitioners from our staff as facilitators
- Chairs of Governors Leadership Development Programme hosted at St. Joseph's College
- Middle leadership development programmes to include NPQML and 'Teaching Leaders' for cohorts of primary and secondary middle leaders, with national facilitators and St Joseph's College facilitators
- NQT Appropriate Body for over 50 NQT's regionally and providing CPD sessions to enhance NQT Induction led by St Joseph's College practitioners

ITT (Initial Teacher Training)

- Outstanding Professional and Subject Mentors for Stoke GTP which was legacy provision to SCITT(Stoke GTP Ofsted/area inspections/MMU quality assurance consistently rated provision as outstanding)
- 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 was Final Moderator for trainees on the Stoke GTP
- St. Joseph's College Stoke Secondary Partnership has, as an accredited SCITT (school centered initial teacher training), runs ITT in the local area with 14 trainees gaining QTS whilst following our school direct training programme within our partnership of local secondary schools in 2014 and 21 in training 2015

SLE (Specialist Teachers of education)

- Recruiting, deploying and quality assuring the outreach work of outstanding leaders from within and

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

outside our school in other schools to carry out work including CPD, leadership development, moderating controlled assessment, department review, SCITT training sessions, SEND reading programme project within LA, acting SLT positions, buddying new middle leaders, levelling moderation, coaching and mentoring of ITT/NQTs including Appropriate Body remediation

- Talent management and succession planning (springing from the above)
- Aspirant Head Teachers Programme for senior leaders
- Joint learning walks to support teachers/leaders at all levels in quality assuring teaching and learning
- SLEs and Aspirant SLEs carrying out outreach work and leading SCITT sessions/research and development literacy project

Research and Development (springing from the above)

- Research Lesson Study national pilot, working with the NCTL, CUREE, and Oxford University to improve literacy and 'close the gap' in attainment for identified students

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 the leaders of tomorrow, acting justly and with integrity and moral purpose.

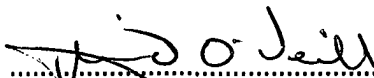
Disclosure of information to auditors

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee 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.

Moore Stephens undertook the audit process for the stated year. A tendering process will follow to appoint auditors for the next financial year.

This report, incorporating the Strategic report, was approved by order of the Governing body, as the company directors, on 3/12/14 and signed on the board's behalf by:


.....
Mr D O'Neill
Acting Chair of Governors

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

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 Head Teacher, 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 Trustees' report and in the Trustees' responsibilities statement. The Governing body has formally met 4 times during the year. Attendance during the year at meetings of the Governing body was as follows:

Trustee	Meetings attended	Out of a possible
Mr N Atkins	4	4
Rev T Borthwick	2	4
Mrs V Broomhall	4	4
Br J Catterson	4	4
Mr J Devine	4	4
Mr N Dodd	3	4
Mr T Duffy	1	4
Mr A Franks	4	4
Mr G Higgins	3	4
Mrs M Hilton	4	4
Mr D Kavanagh	3	4
Mrs C Machin	4	4
Ms R Maguire	4	4
Mr D O'Neill	3	4
Mr M Phelan	3	4
Mrs J Phillips	3	3
Dr M Robinson	4	4
Mr P Robinson	4	4
Ms S Scott	4	4
Mr R Selby	3	4
Mr S Whitehouse	3	4
Mrs M Wilshaw	4	4
Mr K Mullen	0	0
Mr E J Coupe	0	0
Mr P Gordon	0	0

Governance reviews:

The Governing Body at St Joseph's College strive to ensure that their governance is effective in driving forward and delivering the objectives of the academy by showing a good understanding of the academy, its structure, its aims and how it is going to meet those aims. Governance is transparent, robust and shows excellent practice.

The Governing Body has a diverse governance board with a wide range of skills and experience. Many are key executives in large organisations and are assigned to different committees depending on skills and experience.

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

GOVERNANCE STATEMENT (continued)

Committee meetings are structured to allow for timely strategic decisions for the business of the Academy and an annual governor's plan supporting this is in place for every committee, and is reviewed at every meeting. The Audit Committees undertakes timely reviews and audits of each committee and makes any recommendations. All Chairs of each committee present to the audit committee and ensure these recommendations are implemented.

The Chair and two vice chairs have all completed the NCTL Governors training and undertaken the 360 degrees evaluation. Two further Governors have completed the Governor Mark training and have organised a working party to evaluate the possibility of carrying out the Governor Mark accreditation with the Governing Body and creating a personalised skills audit document. The working party have also considered the Governors Induction process, and although all new Governors are encouraged to attend the Local Authority induction training, the party are looking to create a more specialised induction training to suit the Governing Body. Governors have development days with the Senior Leadership Team to discuss and review performance and discuss future improvements and objectives. This year a HMI Inspector attended and presented on how to be an Outstanding Academy. The objective for the next session is to look at undertaking a Refresher on Academy Roles and Responsibilities of Governing Bodies.

An OFSTED inspection and Diocesan OFSTED inspection rated the academy outstanding this year. We also had a successful NCTL audit for the first year of the SCITT; there were 4 low risk recommendations which have all been implemented.

The Finance 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:

Trustee	Meetings attended	Out of a possible
Mr J Devine	7	7
Mr S Whitehouse	5	7
Ms R Maguire	6	7
Mr P Robinson	3	7
Mr R Selby	6	7
Ms S Scott	7	7

The Audit Committee is also a sub-committee of the main Governing body. Its purpose is to receive and review reports of the internal and external auditors, and to action matters arising therefrom.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr N Atkins	6	6
Ms R Maguire	5	6
Mr D O'Neill	5	6
Mr M Phelan	5	6
Mr G Higgins	4	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 St Josephs College Edmund Rice Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised,

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

GOVERNANCE STATEMENT (continued)

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 2014 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 Trust 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 Trust's significant risks that has been in place for the year ending 31 August 2014 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 Trust 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 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 Governing body has considered the need for a specific internal audit function and has decided not to reappoint an internal auditor. However, the governors have appointed Mr 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 Trust's financial systems. On a quarterly basis, Mr M Phelan, the RO, reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The schedule of reporting has been delivered in line with the YPLA's requirements and there has been no material control issues arising as a result of the Responsible Officer's work.

Review of Effectiveness

As Accounting Officer, the Head Teacher 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 auditors;
- 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 Committee and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

GOVERNANCE STATEMENT (continued)

Approved by order of the members of the Governing body on 3/12/14 and signed on its behalf, by:


.....
Mr D O'Neill
Acting Chair of Governors


.....
Ms R Maguire
Accounting Officer

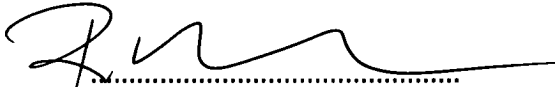
ST JOSEPH'S COLLEGE EDMUND RICE ACADEMY TRUST
(A company limited by guarantee)

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, 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. If any instances are identified after the date of this statement, these will be notified to the Governing body and EFA.



.....
Ms R Maguire
Accounting Officer

Date: 3/12/14.....

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

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

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 Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 order of the members of the Governing body on 3/12/14 and signed on its behalf by:


.....
Mr D O'Neill
Acting Chair of Governors

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

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES 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 2014 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 Academies Accounts Direction 2013 to 2014 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 Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 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 Academies Accounts Direction 2013 to 2014 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' report, incorporating the Strategic 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 BOARD OF TRUSTEES 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Ashley M Conway (Senior statutory auditor)
for and on behalf of

Moore Stephens, Statutory Auditor

Chartered Accountants

6 Ridge House

Ridgehouse Drive

Festival Park

Stoke on Trent

Staffordshire

ST1 5TL

Date: 9/12/2014

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

**INDEPENDENT REPORTING ACCOUNTANTS' 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 2013 to 2014, 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 2013 to 31 August 2014 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 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 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 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 reporting accountant

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 extant from 1 September 2013, 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 2013 to 2014. 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 2013 to 31 August 2014 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 2013 to 2014 issued by 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.

The work undertaken to draw our conclusions includes:

- 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,

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

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

- consideration of discussions with key personnel including the accounting officer and governing body,
- 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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore Stephens

Moore Stephens
Chartered Accountants
6 Ridge House
Ridgehouse Drive
Festival Park
Stoke on Trent
Staffordshire
ST1 5TL

Date: *9/12/2014*

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 total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	<i>As restated Total funds 2013 £</i>
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Donation of Sports Hall	2	-	-	-	-	2,677,877
Other voluntary income	2	56,616	1,270	-	57,886	2,185
Activities for generating funds	3	336,631	498,706	-	835,337	735,560
Investment income	4	2,360	-	-	2,360	1,124
Incoming resources from charitable activities		-	6,118,243	21,955	6,140,198	5,900,821
TOTAL INCOMING RESOURCES		395,607	6,618,219	21,955	7,035,781	9,317,567
RESOURCES EXPENDED						
Charitable activities	11	-	6,966,759	314,470	7,281,229	6,659,653
Governance costs	7	-	8,545	-	8,545	12,500
TOTAL RESOURCES EXPENDED	10	-	6,975,304	314,470	7,289,774	6,672,153
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		395,607	(357,085)	(292,515)	(253,993)	2,645,414

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

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	As restated Total funds 2013 £
Transfers between Funds	20	(355,695)	297,904	57,791	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		39,912	(59,181)	(234,724)	(253,993)	2,645,414
Actuarial gains and losses on defined benefit pension schemes		-	(463,000)	-	(463,000)	22,000
NET MOVEMENT IN FUNDS FOR THE YEAR		39,912	(522,181)	(234,724)	(716,993)	2,667,414
<i>Total funds at 1 September 2013</i>		<i>62,212</i>	<i>(505,819)</i>	<i>9,597,012</i>	<i>9,153,405</i>	<i>6,485,991</i>
TOTAL FUNDS AT 31 AUGUST 2014		102,124	(1,028,000)	9,362,288	8,436,412	9,153,405

All activities relate to continuing operations.

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

The notes on pages 27 to 49 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 2014

	Note	£	2014 £	As restated 2013 £
FIXED ASSETS				
Tangible assets	16		9,362,288	9,597,012
CURRENT ASSETS				
Debtors	17	89,391		153,066
Cash at bank and in hand		1,215,741		1,056,146
		<u>1,305,132</u>		<u>1,209,212</u>
CREDITORS: amounts falling due within one year	18	(891,618)		(811,687)
NET CURRENT ASSETS			<u>413,514</u>	<u>397,525</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,775,802</u>	<u>9,994,537</u>
CREDITORS: amounts falling due after more than one year	19		(311,390)	(325,132)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>9,464,412</u>	<u>9,669,405</u>
Defined benefit pension scheme liability	25		(1,028,000)	(516,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>8,436,412</u></u>	<u><u>9,153,405</u></u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	20	-		10,181
Restricted fixed asset funds	20	9,362,288		9,597,012
Restricted funds excluding pension liability		<u>9,362,288</u>		<u>9,607,193</u>
Pension reserve		<u>(1,028,000)</u>		<u>(516,000)</u>
Total restricted funds			<u>8,334,288</u>	<u>9,091,193</u>
Unrestricted funds	20		<u>102,124</u>	<u>62,212</u>
TOTAL FUNDS			<u><u>8,436,412</u></u>	<u><u>9,153,405</u></u>

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

BALANCE SHEET (continued)
AS AT 31 AUGUST 2014

The financial statements were approved by the Trustees, and authorised for issue, on
and are signed on their behalf, by:

3/12/14


.....
Mr D O'Neill
Acting Chair of Governors

The notes on pages 27 to 49 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 2014

	Note	2014 £	As restated 2013 £
Net cash flow from operating activities	22	266,980	631,996
Returns on investments and servicing of finance	23	(14,551)	(16,410)
Capital expenditure and financial investment	23	(79,746)	(115,931)
CASH INFLOW BEFORE FINANCING		172,683	499,655
Financing	23	(13,088)	(70,190)
INCREASE IN CASH IN THE YEAR		159,595	429,465

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014

	2014 £	As restated 2013 £
Increase in cash in the year	159,595	429,465
Cash outflow from decrease in debt and lease financing	13,088	70,190
MOVEMENT IN NET FUNDS IN THE YEAR	172,683	499,655
Net funds at 1 September 2013	717,925	218,270
NET FUNDS AT 31 AUGUST 2014	890,608	717,925

The notes on pages 27 to 49 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 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders 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 2014**

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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 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 and it is measurable.

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.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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 Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 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
L/Term Leasehold land	-	over 125 years
L/Term Leasehold buildings	-	over 50 years
Motor vehicles	-	over 5 years
Fixtures and fittings	-	over 5 years
ICT Equipment	-	over 5 years

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.7 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.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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.

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 25, 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

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.

1.11 Prior year adjustment

The Trustees have reconsidered the treatment of land and buildings occupied by the academy. On conversion to academy status the Trust entered into an agreement to occupy the premises at London Road, Stoke on Trent for a period of 125 years. This lease required the payment of £600,000 over the first 20 years of the agreement and so until this year the Trustees had accounted for this lease as an operating lease.

After further consideration the Trustees have now determined that the lease should be treated as a finance lease and therefore the property at London Road be recognised as a leasehold interest in the academy's balance sheet.

The leasehold interest has been recognised at a valuation carried out by DTZ in 2012 using depreciated replacement cost as a valuation technique. The combined value of the leasehold interest was determined to be £6,695,229. The Trustees consider that this value be a close approximation to the value at the date of conversion in 2011.

Consequently the Trustees have recognised the related finance lease on conversion being the net present value of the minimum lease payments of £600,000. Using a discount rate of 5% the finance lease has been determined to be £373,866 on conversion.

As a result of this restatement the surplus in 2013 has been reduced by leasehold interest depreciation amounting to £122,671 and by the estimated interest charge of £17,534 arising on the finance lease. The surplus in 2013 has been increased by the reclassification of payments of £30,000 made under the lease from rent to repayment of finance lease.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donation of Sports Hall	-	-	-	2,677,877
Other donations	56,616	1,270	57,886	2,185
Voluntary income	<u>56,616</u>	<u>1,270</u>	<u>57,886</u>	<u>2,680,062</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
School Trips	-	410,826	410,826	214,542
Catering income	328,329	-	328,329	267,436
Other activities for generating funds	8,302	87,880	96,182	253,582
	<u>336,631</u>	<u>498,706</u>	<u>835,337</u>	<u>735,560</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Investment income	<u>2,360</u>	<u>-</u>	<u>2,360</u>	<u>1,124</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 2014**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/YPLA capital grant	-	21,955	21,955	-
General Annual Grant (GAG)	-	5,455,105	5,455,105	5,504,069
Other DfE/YPLA Grants	-	663,138	663,138	396,752
	<u>-</u>	<u>6,140,198</u>	<u>6,140,198</u>	<u>5,900,821</u>

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	As restated Total funds 2013 £
Academy's educational operations	<u>-</u>	<u>7,281,229</u>	<u>7,281,229</u>	<u>6,659,653</u>

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	As restated Total 2013 £
Academy's educational operations	<u>4,744,293</u>	<u>242,525</u>	<u>2,294,411</u>	<u>7,281,229</u>	<u>6,659,653</u>

7. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Governance Auditors' remuneration	-	7,000	7,000	7,000
Governance Auditors' non audit costs	-	1,545	1,545	5,500
	<u>-</u>	<u>8,545</u>	<u>8,545</u>	<u>12,500</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 2014**

8. DIRECT COSTS

	Academy's educational operations £	Total 2014 £	As restated Total 2013 £
Educational supplies	467,290	467,290	203,199
Examination fees	142,966	142,966	146,522
Staff development	11,057	11,057	38,907
Other direct costs	10,106	10,106	8,247
Wages and salaries	3,358,473	3,358,473	3,027,404
National insurance	275,455	275,455	260,931
Pension cost	475,542	475,542	318,323
Depreciation	242,525	242,525	203,697
	<u>4,983,414</u>	<u>4,983,414</u>	<u>4,207,230</u>

9. SUPPORT COSTS

	Academy's educational operations £	Total 2014 £	As restated Total 2013 £
Pension scheme interest cost	12,000	12,000	16,000
Recruitment and support	21,104	21,104	29,569
Maintenance of premises and equipment	45,842	45,842	67,690
Equipment rental	16,668	16,668	6,122
Technology costs	93,519	93,519	96,694
Cleaning	163,916	163,916	154,649
Rent and rates	112,873	112,873	96,122
Insurance	64,419	64,419	76,864
Transport and security	44,046	44,046	51,184
Catering	211,193	211,193	189,318
Finance lease interest payable	16,911	16,911	20,193
School Trips	429,098	429,098	355,765
Other support costs	431,403	431,403	285,844
Wages and salaries	484,996	484,996	631,726
National insurance	29,363	29,363	35,582
Pension cost	120,464	120,464	339,101
	<u>2,297,815</u>	<u>2,297,815</u>	<u>2,452,423</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 2014**

10. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	<i>As restated Total</i>
	2014	2014	2014	2014	2013
	£	£	£	£	£
Charitable activities - direct costs	4,109,470	175,461	698,483	4,983,414	4,207,230
Charitable activities - support costs	634,823	207,292	1,455,700	2,297,815	2,452,423
Charitable activities	4,744,293	382,753	2,154,183	7,281,229	6,659,653
Governance	-	-	8,545	8,545	12,500
	4,744,293	382,753	2,162,728	7,289,774	6,672,153

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total	<i>As rested Total</i>
	2014	2014	2014	2013
	£	£	£	£
Academy's educational operations	4,983,414	2,297,815	7,281,229	6,549,448

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014 £	As restated 2013 £
Depreciation of tangible fixed assets:		
- charge for the year	242,525	203,697
Auditors' remuneration	7,000	7,000
Governance Internal audit costs	-	-
Operating lease rentals:		
- plant and machinery	52,504	48,756
- other operating leases	70,000	54,164
	<u>70,000</u>	<u>54,164</u>

Depreciation charged in the year includes £122,671 (2013: £122,671) in relation to long term leasehold property and £119,854 (2013: £81,026) relating to owned tangible fixed assets.

13. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	3,843,469	3,659,130
Social security costs	304,818	296,513
Pension costs (Note 25)	596,006	657,424
	<u>4,744,293</u>	<u>4,613,067</u>

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Teachers	80	78
Administration and support	50	50
Management	12	12
	<u>142</u>	<u>140</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 2014**

13. STAFF (continued)

c. Higher paid staff

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

	2014	2013
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £120,001 - £130,000	1	1
	3	3

Three of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014 employer's pension contributions for these staff amounted to £37,191.

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:

	2014	2013
	£	£
Mrs R Maguire, Principal	125,000 - 130,000	125,000 - 130,000
Dr M Robinson, Staff Governor	45,000 - 50,000	45,000 - 50,000
Mrs V Broomhall, Staff Governor	45,000 - 50,000	45,000 - 50,000
Mrs C Machin, Staff Governor	20,000 - 25,000	20,000 - 25,000

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees 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 2014 was £1,109 (2013 - £1,431). The cost of this insurance is included in the total insurance cost.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

15. EXCEPTIONAL ITEMS

	2014 £	2013 £
Donation of sports hall	-	2,677,877

The Sports Hall has been constructed by Stoke City Council under the Building Schools for the Future programme and donated to the Academy on completion in accordance with that programme.

As a donated asset the initial carrying amount is the fair value on the date of receipt. As a specialised property fair value has been calculated on a depreciated replacement cost basis.

16. TANGIBLE FIXED ASSETS

	Freehold property £	L/Term Leasehold Property £	Motor vehicles £	Fixtures and fittings £
Cost				
At 1 September 2013 - as restated	3,085,793	6,695,229	30,616	251,126
Additions	-	-	-	54,185
Disposals	-	-	-	(121,303)
At 31 August 2014	3,085,793	6,695,229	30,616	184,008
Depreciation				
At 1 September 2013 - as restated	8,158	316,900	21,057	178,040
Charge for the year	52,790	122,671	5,352	46,845
On disposals	-	-	-	(50,306)
At 31 August 2014	60,948	439,571	26,409	174,579
Net book value				
At 31 August 2014	3,024,845	6,255,658	4,207	9,429
At 31 August 2013 - as restated	3,077,635	6,378,329	9,559	73,086

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

16. TANGIBLE FIXED ASSETS (continued)

	ICT equipment £	Total £
Cost		
At 1 September 2013 - as restated	108,766	10,171,530
Additions	25,561	79,746
Disposals	(1,433)	(122,736)
	<u>132,894</u>	<u>10,128,540</u>
At 31 August 2014		
Depreciation		
At 1 September 2013 - as restated	50,363	574,518
Charge for the year	14,867	242,525
On disposals	(485)	(50,791)
	<u>64,745</u>	<u>766,252</u>
At 31 August 2014		
Net book value		
At 31 August 2014	<u>68,149</u>	<u>9,362,288</u>
At 31 August 2013 - as restated	<u>58,403</u>	<u>9,597,012</u>

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

	2014 £	2013 £
L/T leasehold property	<u>6,255,657</u>	<u>6,378,329</u>

17. DEBTORS

	2014 £	2013 £
Trade debtors	5,774	7,921
Other debtors	42,761	63,083
Prepayments and accrued income	40,856	82,062
	<u>89,391</u>	<u>153,066</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 2014**

18. CREDITORS:

Amounts falling due within one year

	2014 £	As restated 2013 £
Net obligations under finance leases and hire purchase contracts	13,743	13,089
Trade creditors	71,301	162,977
Other taxation and social security	190	190
Other creditors	13,278	15,387
Accruals and deferred income	793,106	620,044
	<u>891,618</u>	<u>811,687</u>
		£
Deferred income		
Deferred income at 1 September 2013		363,268
Resources deferred during the year		245,762
Amounts released from previous years		(363,268)
		<u>245,762</u>
Deferred income at 31 August 2014		<u>245,762</u>

19. CREDITORS:

Amounts falling due after more than one year

	2014 £	As restated 2013 £
Net obligations under finance leases and hire purchase contracts	311,390	325,132
Creditors include amounts not wholly repayable within 5 years as follows:		
	2014 £	2013 £
Repayable by instalments	249,193	265,897
Obligations under finance leases and hire purchase contracts, included above, are payable as follows:		
	2014 £	2013 £
Between one and five years	62,197	59,235
After five years	249,193	265,897
	<u>311,390</u>	<u>325,132</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 2014**

20. STATEMENT OF FUNDS

	Brought Forward <i>As restated</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	62,212	395,607	-	(355,695)	-	102,124
Restricted funds						
General Annual Grant (GAG)	-	5,455,105	(5,744,918)	289,813	-	-
Other DfE/EFA Grants	-	663,138	(663,138)	-	-	-
School Trips	10,181	410,826	(429,098)	8,091	-	-
Other restricted	-	89,150	(89,150)	-	-	-
Pension reserve	(516,000)	-	(49,000)	-	(463,000)	(1,028,000)
	(505,819)	6,618,219	(6,975,304)	297,904	(463,000)	(1,028,000)
Restricted fixed asset funds						
Methodist Hall	399,758	-	(8,159)	-	-	391,599
General fixed asset fund	141,048	21,955	(139,009)	57,791	-	81,785
Sports Hall	2,677,877	-	(44,631)	-	-	2,633,246
London Road site	6,378,329	-	(122,671)	-	-	6,255,658
	9,597,012	21,955	(314,470)	57,791	-	9,362,288
Total restricted funds	9,091,193	6,640,174	(7,289,774)	355,695	(463,000)	8,334,288
Total of funds	9,153,405	7,035,781	(7,289,774)	-	(463,000)	8,436,412

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

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 fund mostly relates to catering expenditure.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. STATEMENT OF FUNDS (continued)

Transfers between the unrestricted general fund and the Restricted fixed asset fund are for fixed assets purchased.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

SUMMARY OF FUNDS

	Brought Forward <i>As restated</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	62,212	395,607	-	(355,695)	-	102,124
Restricted funds	(505,819)	6,618,219	(6,975,304)	297,904	(463,000)	(1,028,000)
Restricted fixed asset funds	9,597,012	21,955	(314,470)	57,791	-	9,362,288
	<u>9,153,405</u>	<u>7,035,781</u>	<u>(7,289,774)</u>	<u>-</u>	<u>(463,000)</u>	<u>8,436,412</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	<i>As restated</i> Total funds 2013 £
Tangible fixed assets	-	-	9,362,288	9,362,288	9,597,012
Current assets	102,124	1,203,008	-	1,305,132	1,209,212
Creditors due within one year	-	(891,618)	-	(891,618)	(798,598)
Creditors due in more than one year	-	(311,390)	-	(311,390)	(587,600)
Provisions for liabilities and charges	-	(1,028,000)	-	(1,028,000)	(516,000)
	<u>102,124</u>	<u>(1,028,000)</u>	<u>9,362,288</u>	<u>8,436,412</u>	<u>9,153,405</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 2014**

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	As restated 2013 £
Net incoming resources before revaluations	(253,993)	2,645,414
Returns on investments and servicing of finance	14,551	16,410
Depreciation of tangible fixed assets	242,525	203,697
Deficit on disposal of tangible fixed assets	71,945	-
Decrease in debtors	63,675	40,786
Increase in creditors	79,277	368,566
FRS 17 pension cost less contributions payable	37,000	19,000
FRS 17 pension finance cost	12,000	16,000
Donation of sports hall	-	(2,677,877)
Net cash inflow from operations	266,980	631,996

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

	2014 £	As restated 2013 £
Returns on investments and servicing of finance		
Interest received	2,360	1,124
Finance lease interest payable	(16,911)	(17,534)
Net cash outflow from returns on investments and servicing of finance	(14,551)	(16,410)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(79,746)	(115,931)
Financing		
New finance lease	-	-
Repayment of finance leases	(13,088)	(70,190)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

24. ANALYSIS OF CHANGES IN NET FUNDS

	As restated 1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	1,056,146	159,595	-	1,215,741
Debt:				
Finance leases	(338,221)	13,088	-	(325,133)
Net funds	717,925	172,683	-	890,608

25. 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 related to the period ended 31 March 2012 and of the LGPS 31 August 2014.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) 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.

The Teachers' Pensions Regulations require an annual 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, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) 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:

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

25. PENSION COMMITMENTS (continued)

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) 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 FRS 17 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

25. PENSION COMMITMENTS (continued)

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 2014 was £197,000, of which employer's contributions totalled £151,000 and employees' contributions totalled £46,000. The agreed contribution rates for future years are 21.6% in 2014/15, 22.6% in 2015/16 and in 2016/17 24.6% for employers and depending on salary, 5.5% to 12.5% for employees.

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

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.30	823,000	6.60	606,000
Bonds	3.40	141,000	4.00	95,000
Property	4.50	87,000	4.70	63,000
Cash	3.30	33,000	3.60	24,000
Total market value of assets		<u>1,084,000</u>		<u>788,000</u>
Present value of scheme liabilities		<u>(2,112,000)</u>		<u>(1,304,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,028,000)</u></u>		<u><u>(516,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(2,112,000)	(1,304,000)
Fair value of scheme assets	1,084,000	788,000
Net liability	<u><u>(1,028,000)</u></u>	<u><u>(516,000)</u></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 2014**

25. PENSION COMMITMENTS (continued)

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

	2014 £	2013 £
Current service cost	(188,000)	(144,000)
Interest on obligation	(65,000)	(46,000)
Expected return on scheme assets	53,000	30,000
	<u>(200,000)</u>	<u>(160,000)</u>
Total	(200,000)	(160,000)
Actual return on scheme assets	<u>112,000</u>	<u>88,000</u>

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

	2014 £	2013 £
Opening defined benefit obligation	1,304,000	1,040,000
Current service cost	188,000	144,000
Interest cost	65,000	46,000
Contributions by scheme participants	46,000	38,000
Actuarial Losses	516,000	36,000
Benefits paid	(7,000)	-
	<u>2,112,000</u>	<u>1,304,000</u>
Closing defined benefit obligation	2,112,000	1,304,000

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

	2014 £	2013 £
Opening fair value of scheme assets	788,000	537,000
Expected return on assets	53,000	30,000
Actuarial gains and (losses)	53,000	58,000
Contributions by employer	151,000	125,000
Contributions by employees	46,000	38,000
Benefits paid	(7,000)	-
	<u>1,084,000</u>	<u>788,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £538,000 (2013 - £75,000).

The academy expects to contribute £157,000 to its Defined benefit pension scheme in 2015.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

25. PENSION COMMITMENTS (continued)

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.60 %	6.00 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.80 %

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

	2014	2013
Retiring today		
Males	22.1	21.2
Females	24.3	23.4
Retiring in 20 years		
Males	24.3	23.3
Females	26.6	25.6

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2014	2013	2012
	£	£	£
Defined benefit obligation	(2,112,000)	(1,304,000)	(1,040,000)
Scheme assets	1,084,000	788,000	537,000
Deficit	(1,028,000)	(516,000)	(503,000)
Experience adjustments on scheme liabilities	(175,000)	-	-
Experience adjustments on scheme assets	53,000	58,000	17,000

26. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	<i>As restated</i>			
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within 1 year	-	-	4,716	5,965
Between 2 and 5 years	70,000	75,000	47,788	42,791

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy'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 a trustee has an interest. All transactions involving such organisations are conducted in accordance with the academy's financial regulations and normal procurement procedures.

During the year the academy paid £30,000 (2013: £30,000) to the Congregation of Christian Brothers, a member of the Academy, under a lease agreement.

28. 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.