

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016



LANDAU BAKER LTD
& Chartered Accountants
Mountcliff House
154 Brent Street
London
NW4 2DR

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

Monsignor Matthew Dickens, Vicar General, Ex-Officio
Monsignor Canon Martin Lee, Diocesan Financial Secretary, Ex-Officio
K Byrne, Chair of Governors, Ex-Officio

Governors

Mr K Byrne, Chair of Governors
Mrs J Namusisi-Riley, Vice Chair
Mr P Beaumont, Member of Resource Committee
Ms M Sawyer, Member of Resource Committee
Mrs C Carberry
Mrs F Brown
Mr W Mordaunt, Member of Resource Committee
Mr J Wood, Member of Resource Committee
Mr M Burke
Mrs G Tatton, Staff Governor (term ended 31 August 2016)
Mr S Lehmann, Staff Governor (resigned 31 August 2016)
Fr A Mckenna-Whyte
Mrs J Connery, Ex Officio
Mr R Coyle- Co Head and Accounting Officer, Ex Officio
Mr H Bellamy (appointed 4 February 2016)

Company registered number

07712850

Company name

Corpus Christi Catholic Primary School Academy Trust

Registered office

Trent Road, London, SW2 5BL

Principal operating office

Trent Road, London, SW2 5BL

Company secretary

Sandra Ruiz

Senior management team

J Connery, Co-Headteacher
S Ruiz, School Business Manager
S Cole, Assistant Headteacher
K Smart, Assistant Headteacher

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Independent auditors

Landau Baker Ltd, Mountcliff House, 154 Brent Street, London, NW4 2DR

Solicitors

Winkworth Sherwood, Minerva Hosue, 5 Mountague Close, London, SE1 9BB

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in the Brixton Hill and Herne Hill area. It has a pupil capacity of 365 and had a roll of 437 in the school census on 19th May 2016.

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the academy is the operation of Corpus Christi Catholic Primary School to provide a broad and balanced education for pupils of all abilities in the Brixton area. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the Academy will be at the heart of the community promoting community cohesion and sharing facilities; the basis for admitting students to the Academy, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

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b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's vision is through building a value system and ethos centred on:

Faith

It is through our faith in and the teachings of Jesus that we are thoughtful and considerate of others. We help and pray for those in need. We will demonstrate equality, inclusiveness, empathy, respect and tolerance for everyone and treat each other with dignity and care. We play an active role in our local and wider communities to serve each other through meaningful collaboration.

Aspiration

We will aim to be the best we can be through our high expectations of ourselves and each other. We strive to reach our full potential and actively embrace opportunities to enrich our experience of life.

Motivation

We will continually persevere to achieve excellence and enjoy celebrating each other's successes. We show optimism in all our pursuits and we aim to develop a strong "can do" attitude. We will show resilience when obstacles stand in our way.

Inspiration

We will show confidence and take responsibility to apply what we have learned in our collaboration with others by our ability to work and think independently. We will develop an enquiring mind to support and enrich our learning and be prepared to take risks.

Love

We will have a lifelong love and enjoyment of learning and of life itself. We will be inspired by those who have achieved great things, even through adversity, and know that we too can be like them

You

are unique! We will recognize the value of our place in the world and celebrate our individual talents and contributions. We will value each member of our school which binds and cements our school community.

We will achieve these values:-

- Through high expectations of teaching and learning
- Providing a balanced and enriching curriculum
- By our collaborative partnership with our parents, governors and parish
- Through school council and green team fund raising initiatives working for the good of the local and wider communities
- Through the use of positive reinforcement of excellent behaviour and conduct by all members of the school community
- During regular celebrations of work and spiritual development
- Through responsibilities which encourage service to others

The main activities in order to achieve the academy's objectives will be:

- To re-evaluate the academy's ethos, vision and values
- To review and relaunch the academy's long and short term improvement plan
- To develop a new assessment policy in line with the DFE statutory requirements
- To review and update all teaching and learning subject policies
- To further develop middle leadership by empowering phase group leaders alongside core subject co-ordinators
- To promote leadership opportunities for children at all levels
- To implement a developmental focus on the academy's monitoring and evaluation schedule
- To ensure all staff, governors and parents have a secure understanding of statutory end of year

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- expectations of children
- To introduce and embed an emotional intelligence programme for children and staff
- To review and relaunch the school's house system
- To further develop academic target setting
- To demonstrate children's progress within year and year on year in line with the whole school's assessment policy
- To enhance the use of our outdoor space for children within the Early Years setting by actively participating in the 'Natural Thinkers' programme
- To secure opportunities for children to pose questions within Religious Education lessons
- To work with architects and other stakeholders to develop a building masterplan
- To support budget holders in the introduction of the budget bidding process

The Academy's Aims are being reviewed and edited in the autumn term of 2016.

c. PUBLIC BENEFIT

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- o Raising money for local, national and international charities.
- o Supporting the Parish by providing support to their fundraising activities.
- o Supporting the LA in their Healthy Schools Initiated by providing confident cycling workshops for children and termly Bike-It breakfasts.
- o We share experience with Lambeth Catholic Schools Partnership to provide a support network across the 9 partnership schools.
- o We support schools in sharing expertise and skills in curriculum and assessment development and academy conversion support.

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Strategic report

Achievements and performance

a. KEY PERFORMANCE INDICATORS

Corpus Christi Catholic Primary School (Academy) opened as a converter academy in August 2011.

| Year 6 56 Children | Corpus Christi Average Scaled Score | Lambeth Average Scaled Score | National Average Scaled Score |
|-------------------------------|--|---|--|
| Reading | 112.3 | 104 | 103 |
| SPAGS | 110.3 | 105 | 104 |
| Maths | 110.3 | 105 | 103 |
| SEN analysis: 1 ECHP | pending, Pending Wave | 3 children | |

| | Reading % | | | Writing % (Teacher Assessed) | | | Math % | | | Combined – RWM % | | |
|---------------------------------------|-----------|-----|-----|---------------------------------|----|-----|--------|-----|-----|------------------|-----|-----|
| | CC | LA | Nat | CC | LA | NAT | CC | NAT | C | CC | B | C |
| Below | 0 | 28 | 34 | 2 | 19 | 26 | 0 | 21 | 30 | - | - | - |
| Working at National Expectation | 100 | 72 | 66 | 98 | 81 | 74 | 100 | 79 | 70 | 98 | 62 | 53 |
| Working at Greater Depth | TBA | TBA | TBA | 18 | 19 | 15 | TBA | TBA | TBA | TBA | TBA | TBA |

The Academy was oversubscribed, with 45 places offered to Nursery pupils and 60 places being offered to Reception pupils.

School Absence Data

| | 2015/16 |
|--------------|----------------|
| Authorised | 1.7% |
| Unauthorised | 0.1% |
| Total | 1.8% |

a. GOING CONCERN

After making appropriate enquiries, the board of trustees 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.

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b. FINANCIAL REVIEW

During the period, EFA/LA grants received totaled to £2,100,996. Other income included within restricted funds totaled to £529,795. Restricted fund expenditure totaled to £2,471,876.

The main source of unrestricted income is from fundraising activities, totaling to £20,982.

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the 8 month period ended 31 August 2016 and the associated expenditure are shown as restricted funds 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 for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims, with several capital projects already delivered and others being built into a Buildings Master Plan.

The Academy employs a full time School Business Manager and a full time Finance Officer. One of the Co-Heads is the appointed Accounting Officer. The Governors through the Resources Committee and Co-Heads receive financial progress reports throughout the year and compare against budgets submitted to the Education Funding Agency. The Resources Committee also review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the aims of the Academy.

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c. PRINCIPAL RISKS AND UNCERTAINTIES

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2016.

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d. RESERVES POLICY

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- o permanent endowment funds
- o expendable endowment funds
- o restricted income funds
- o any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £602,765. This balance includes unrestricted funds (free reserves) of £162,450, which is considered appropriate for the Academy Trust, and restricted funds of £440,315.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy recognises a significant pension fund deficit totaling to £1,064,000. This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

e. INVESTMENT POLICY

It should be noted that the Academy has substantial power with regards to investments due to cash balances held. Investment policies are determined by the Governing Body. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Academy to additional risk. Should any potential investment opportunity arise this would be escalated to the Board for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2016, no investments were held.

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GOVERNORS' REPORT (continued)
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Structure, governance and management

a. CONSTITUTION

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Corpus Christi Catholic Primary School Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Corpus Christi Catholic Primary School.

Details of the Governors who served during the year are included in the Reference and administrative details on page 1.

Details of governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

b. MEMBERS' LIABILITY

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- o The Head Teacher
- o Up to 8 foundation governors
- o Up to 2 parent governors, appointed by the members
- o Up to 1 community governor, appointed by the members
- o Up to 2 staff governors appointed by the members, provided that the maximum number of staff governors does not exceed one third of the total number of governors
- o Any governors appointed by the Secretary of State for Education

The term of office for any governor is 4 years. The Head Teacher's term of office runs parallel with his/her term of appointment. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

During the period under review the governors held 3 meetings. The training and induction provided for new governors will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new governors are given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the Charitable Company.

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e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

During the period under review, the governors held 5 full governing body meetings. In addition there were regular meetings covering finance, curriculum, premises and personnel. The training and induction provided for new governors will depend on their experience. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new governors are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy. All Governors undergo both LA and Diocesan governor induction and have access to an online learning platform where they can access training modules on different aspects of governance.

f. ORGANISATIONAL STRUCTURE

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives. The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

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

The Head Teacher assumes the accounting officer role.

g. RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The academy is the founding member of the Corpus Christi Catholic Primary School Academy Trust which is a separate Trust where Corpus Christi Catholic Primary School is the only member. The Trust undertakes educational support activities.

h. GOVERNORS' INDEMNITIES

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

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GOVERNORS' REPORT (continued)
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a. PLANS FOR FUTURE PERIODS:

This year the school increased its PAN from 52 to 60. In order to cope with the increase in roll, there has been an expansion this summer to the EYFS area and a refurbishment of the toilet areas in the lower juniors.

The Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan, for which we will be applying for capital grants from the Department of Education, EFA and ACMF. Over the coming year priority will be given to replacement of windows, boiler and heating replacement; we are also looking to develop a building master plan that will incorporate an increase in the provision of group teaching rooms and practice rooms for music. The school would also like to incorporate space in the plans for Art and community use space.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its trustees did not act as custodian trustee during the current or previous period.

AUDITOR

Insofar as the governors are aware:

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

Governors' report, incorporating a strategic report, was approved by order of the governing body on 21 November 2016 and signed on the board's behalf by:


K Byrne
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The 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 Corpus Christi Catholic Primary School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The governing body has formally met 5 times during the year. Attendance during the year at meetings of the governing body was as follows:

| Governor | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mr K Byrne, Chair of Governors | 5 | 5 |
| Mrs J Namusisi-Riley, Vice Chair | 3 | 5 |
| Mr P Beaumont, Member of Resource Committee | 5 | 5 |
| Ms M Sawyer, Member of Resource Committee | 3 | 5 |
| Mrs C Carberry | 2 | 5 |
| Mrs F Brown | 5 | 5 |
| Mr W Mordaunt, Member of Resource Committee | 4 | 5 |
| Mr J Wood, Member of Resource Committee | 3 | 5 |
| Mr M Burke | 5 | 5 |
| Mrs G Tatton, Staff Governor | 5 | 5 |
| Mr S Lehmann, Staff Governor | 5 | 5 |
| Fr A McKenna-Whyte | 3 | 5 |
| Mr R Coyle- Co Head and Accounting Officer, Ex Officio | 4 | 5 |
| Mr H Bellamy | 2 | 2 |

Governors typically also serve on a number of other sub committees, as set out on the school website.

The impact of each Governing Body Committee is reviewed and monitored through the Minutes and committee reports given at every Governors Meeting. Governors have performed a self-evaluation annually for the last two years and an external review of Governance was carried out in 2015

Key findings noted, actions taken and their impact are noted below:

- o Key areas were identified for training to close skills gaps for Governors, this was done through access to an online training portal, in-house training and access to Local Authority courses. We have also sponsored a Governor through the Governance Leadership qualification.
- o The structure and purpose of the GB committees were reviewed. As a result, Pupil Progress and Achievement was raised in profile to be the main topic of 1 Full Governing Board meeting per term. The impact of this being that all governors are full versed in the progress of all pupils and in particular those in vulnerable groups.

The Resources Committee is a sub-committee of the governing body. Its purpose is to make sure that the

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GOVERNANCE STATEMENT (continued)

Academy is following the EFA's financial regulations.

No significant issues to note were dealt with during the period, other than the approval of the two capital projects involving the EYFS area and the lower junior toilets.

Attendance at meetings in the year was as follows:

| Governor | Meetings attended | Out of a possible |
|---------------|-------------------|-------------------|
| Mr J Wood | 3 | 3 |
| Mr P Beaumont | 2 | 3 |
| Mr W Mordaunt | 3 | 3 |
| Mr R Coyle | 3 | 3 |
| Ms M Sawyer | 3 | 3 |

The Resources Committee also carried out the following duties:

- o monitor the integrity of the financial statements;
- o review internal financial controls and review the Academy's internal control and risk management systems;
- o make recommendations to the Governing Body in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor;
- o review the auditor's independence and objectivity.

No significant issues to note were dealt with during the period.

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- o Tendering exercises relating to building and energy contracts, to ensure value for money.
- o Working with partnerships schools for more collaborative procurement approach in order to deliver economies of scale.
- o Rigorous monitoring of the schools budget during Resource committee meetings including challenge from Governors.
- o Instilling organisation-wide culture of prudent use of the schools resources and a shared responsibility by devolving budgets to middle leaders and coordinators. Budget holders now exercise more autonomy and creativity in using their devolved budgets whilst still aiming to achieve the best outcomes for the children.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Corpus Christi Catholic Primary School Academy Trust for the period 1st September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The governing body has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Resources 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 to appoint a Responsible Officer.

The Responsible Officer role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, the RO reports to the governing body through the Resources Committee on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

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 external auditors and Responsible Officer;
- the financial management and governance self-assessment process; and
- 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

the system is in place.

Approved by order of the members of the governing body on 21 November 2016 and signed on their behalf by:


K Byrne
Chair of Trustees


R Coyle
Accounting Officer

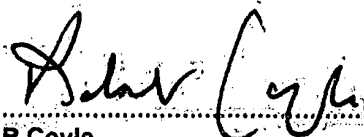
CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Corpus Christi Catholic Primary School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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



R Coyle
Accounting Officer

Date: 21 November 2016

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as governors of Corpus Christi Catholic Primary School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts 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 Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

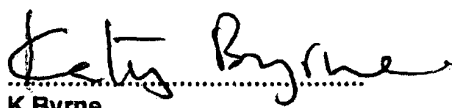
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the governing body on 21 November 2016 and signed on its behalf by:


K Byrne
Chair of Trustees

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL

We have audited the financial statements of Corpus Christi Catholic Primary School for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CORPUS
CHRISTI CATHOLIC PRIMARY SCHOOL**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Ltd

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
21 November 2016

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 October 2011 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Corpus Christi Catholic Primary School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Corpus Christi Catholic Primary School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Corpus Christi Catholic Primary School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Corpus Christi Catholic Primary School and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of Corpus Christi Catholic Primary School's funding agreement with the Secretary of State for Education dated 16 August 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

CONCLUSION

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

Reporting Accountant

Landau Baker Ltd

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

21 November 2016

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

| | Note | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | | |
| Donations and capital grants | 3 | 11,382 | 11,937 | 8,606 | 31,925 | 24,742 |
| Charitable activities | 4 | - | 2,255,320 | - | 2,255,320 | 2,226,530 |
| Other trading activities | 5 | 20,982 | 363,534 | - | 384,516 | 318,359 |
| Investments | 6 | 634 | - | - | 634 | 547 |
| TOTAL INCOME | | 32,998 | 2,630,791 | 8,606 | 2,672,395 | 2,570,178 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | | 56,296 | - | - | 56,296 | 13,979 |
| Charitable activities | | - | 2,471,876 | 92,944 | 2,564,820 | 2,510,253 |
| TOTAL EXPENDITURE | 9 | 56,296 | 2,471,876 | 92,944 | 2,621,116 | 2,524,232 |
| NET INCOME / (EXPENDITURE) BEFORE MATERIAL ITEMS | | | | | | |
| Transfers between Funds | 19 | (23,298) | 158,915 | (84,338) | 51,279 | 45,946 |
| | | - | (51,456) | 51,456 | - | - |
| NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES | | | | | | |
| | | (23,298) | 107,459 | (32,882) | 51,279 | 45,946 |
| Actuarial losses on defined benefit pension schemes | 23 | - | (523,000) | - | (523,000) | (8,000) |
| NET MOVEMENT IN FUNDS | | (23,298) | (415,541) | (32,882) | (471,721) | 37,946 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 185,748 | (208,144) | 290,569 | 268,173 | 230,227 |
| TOTAL FUNDS CARRIED FORWARD | | 162,450 | (623,685) | 257,687 | (203,548) | 268,173 |

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL

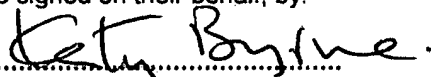
(A company limited by guarantee)

REGISTERED NUMBER: 07712850

**BALANCE SHEET
AS AT 31 AUGUST 2016**

| | Note | £ | 2016 £ | £ | 2015 £ |
|--|------|--------------------|------------------|------------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 15 | | 257,687 | | 290,569 |
| CURRENT ASSETS | | | | | |
| Stocks | 16 | 32,341 | | 29,958 | |
| Debtors | 17 | 48,409 | | 42,954 | |
| Cash at bank and in hand | | 666,631 | | 571,755 | |
| | | <u>747,381</u> | | <u>644,667</u> | |
| CREDITORS: amounts falling due within one year | 18 | (144,616) | | (165,063) | |
| NET CURRENT ASSETS | | | 602,765 | | 479,604 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 860,452 | | 770,173 |
| Defined benefit pension scheme liability | 23 | | (1,064,000) | | (502,000) |
| NET (LIABILITIES)/ASSETS INCLUDING PENSION SCHEME LIABILITIES | | | <u>(203,548)</u> | | <u>268,173</u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted funds: | | | | | |
| Restricted funds | 19 | 440,315 | | 293,856 | |
| Restricted fixed asset funds | 19 | 257,687 | | 290,569 | |
| Restricted funds excluding pension liability | | 698,002 | | 584,425 | |
| Pension reserve | | <u>(1,064,000)</u> | | <u>(502,000)</u> | |
| Total restricted funds | | | (365,998) | | 82,425 |
| Unrestricted funds | 19 | | 162,450 | | 185,748 |
| TOTAL (DEFICIT)/FUNDS | | | <u>(203,548)</u> | | <u>268,173</u> |

The financial statements were approved by the Governors, and authorised for issue, on 21 November 2016 and are signed on their behalf, by:



 K Byrne
 Chair of Trustees

The notes on pages 26 to 44 form part of these financial statements.

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

| | Note | 2016 £ | 2015 £ |
|--|------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 21 | <u>154,938</u> | <u>242,036</u> |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | <u>(60,062)</u> | <u>(85,159)</u> |
| Net cash used in investing activities | | <u>(60,062)</u> | <u>(85,159)</u> |
| Change in cash and cash equivalents in the year | | 94,876 | 156,877 |
| Cash and cash equivalents brought forward | | <u>571,755</u> | <u>414,878</u> |
| Cash and cash equivalents carried forward | | <u><u>666,631</u></u> | <u><u>571,755</u></u> |

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Corpus Christi Catholic Primary School constitutes a public benefit entity as defined by FRS 102.

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 Governors.

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

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

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £1000 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. 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:

| | | |
|-----------------------|---|----------------------|
| Fixtures and fittings | - | 15% reducing balance |
| Office equipment | - | 33% reducing balance |
| Computer equipment | - | 33% reducing balance |

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.13 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.

1.14 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 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 quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2016 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended 31 August 2016.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|------------------------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Donations | 11,382 | 11,937 | - | 23,319 | 16,289 |
| Capital Grants | - | - | 8,606 | 8,606 | 8,453 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total donations and capital grants | <u>11,382</u> | <u>11,937</u> | <u>8,606</u> | <u>31,925</u> | <u>24,742</u> |

In 2015, of the total income from donations and capital grants, £4,227 was to unrestricted funds and £20,515 was to restricted funds

CORPUS CHRISTI CATHOLIC PRIMARY SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

Corpus Christi Catholic Primary School Academy Trust

| | Restricted funds 2016 £ | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|--------------------------------|--|---------------------------------------|---------------------------------------|
| DfE/EFA grants | | | |
| General annual grant (GAG) | 1,926,118 | 1,926,118 | 1,900,011 |
| Pupil Premium | 77,620 | 77,620 | 83,105 |
| Other EFA Grants | 97,258 | 97,258 | 88,272 |
| | <u>2,100,996</u> | <u>2,100,996</u> | <u>2,071,388</u> |
| Other government grants | | | |
| Other Government Grants | 111,209 | 111,209 | 112,452 |
| SEN Income | 43,115 | 43,115 | 35,665 |
| | <u>154,324</u> | <u>154,324</u> | <u>148,117</u> |
| Other funding | | | |
| Donations | - | - | 7,025 |
| | <u>-</u> | <u>-</u> | <u>7,025</u> |
| | <u>2,255,320</u> | <u>2,255,320</u> | <u>2,226,530</u> |

In 2015, of the total income from charitable activities, £7,025 was to unrestricted funds and £2,219,505 was to restricted funds.

5. OTHER TRADING ACTIVITIES

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | <i>Total funds 2015 £</i> |
|------------------------|--|--|---------------------------------------|---------------------------------------|
| Catering Income | - | 76,027 | 76,027 | 69,748 |
| Trips Income | 465 | 47,748 | 48,213 | 33,593 |
| Other Income | 20,517 | 69,785 | 90,302 | 83,027 |
| Nursery Income | - | 57,546 | 57,546 | 42,188 |
| Parental Contributions | - | 112,428 | 112,428 | 89,803 |
| | <u>20,982</u> | <u>363,534</u> | <u>384,516</u> | <u>318,359</u> |

In 2015, of the total income from other trading activities, £22,391 was to unrestricted funds and £295,968 was to restricted funds.

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6. INVESTMENT INCOME

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Investment income | 634 | - | 634 | 547 |

In 2015, of the total investment income, £ 547 was to unrestricted funds and £ NIL was to restricted funds.

7. DIRECT COSTS

| | Activities £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|------------------|--------------------|--------------------|
| Education supplies | 117,422 | 117,422 | 111,001 |
| Educational consultancy | 108,161 | 108,161 | 113,037 |
| Teachers supply costs | 74,297 | 74,297 | 43,092 |
| Other direct costs | 5,421 | 5,421 | 28,046 |
| Staff training and recruitment | 12,351 | 12,351 | 15,364 |
| Technology costs | 31,027 | 31,027 | 38,126 |
| Wages and salaries | 1,107,363 | 1,107,363 | 1,118,270 |
| National insurance | 95,505 | 95,505 | 86,642 |
| Pension cost | 197,702 | 197,702 | 183,196 |
| | <u>1,749,249</u> | <u>1,749,249</u> | <u>1,736,774</u> |

In 2015, the academy incurred the following Direct costs:
£1,736,774 in respect of Educational Operations

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8. SUPPORT COSTS

| | Governance | Activities | Total | Total |
|---------------------------------------|-------------------|-------------------|----------------|----------------|
| | £ | £ | 2016 | 2015 |
| | | | £ | £ |
| Pension interest - LGPS | - | 18,000 | 18,000 | 19,000 |
| Maintenance of premises and equipment | - | 75,473 | 75,473 | 36,034 |
| Insurance | - | 15,166 | 15,166 | 17,484 |
| Cleaning | - | 38,831 | 38,831 | 37,597 |
| Rates and water | - | 12,680 | 12,680 | 10,737 |
| Energy costs | - | 18,952 | 18,952 | 20,903 |
| Security and transport | - | 2,653 | 2,653 | 692 |
| Other support costs | 48,289 | 40,179 | 88,468 | 97,527 |
| Catering | - | 177,512 | 177,512 | 157,464 |
| Wages and salaries | - | 198,765 | 198,765 | 196,707 |
| National insurance | - | 14,078 | 14,078 | 13,213 |
| Pension cost | - | 62,049 | 62,049 | 59,365 |
| Depreciation | - | 92,944 | 92,944 | 106,756 |
| | 48,289 | 767,282 | 815,571 | 773,479 |

During the year ended 31 August 2016, the academy incurred the following Governance costs:
£48,289 (2015 - £45,029) included within the table above in respect of Educational Operations

In 2015, the academy incurred the following Support costs:
£728,450 in respect of Educational Operations

9. EXPENDITURE

| | Staff costs | Premises | Other costs | Total | Total |
|---|--------------------|-----------------|--------------------|------------------|------------------|
| | 2016 | 2016 | 2016 | 2016 | 2015 |
| | £ | £ | £ | £ | £ |
| Expenditure on raising voluntary income | - | - | 56,296 | 56,296 | 13,797 |
| Activities: | | | | | |
| Direct costs | 1,474,867 | - | 274,382 | 1,749,249 | 1,736,774 |
| Support costs | 274,892 | 186,115 | 306,275 | 767,282 | 713,450 |
| | 1,749,759 | 186,115 | 636,953 | 2,572,827 | 2,464,021 |

In 2016, of the total expenditure, £56,296 (2015 - £41,534) was to unrestricted funds, and £2,516,531 (2015 - £2,422,487) was to restricted funds.

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10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

| | 2016 £ | 2015 £ |
|--|---------------|----------------|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 92,944 | 106,756 |
| Auditors' remuneration - audit | 4,700 | 5,658 |
| | <u>97,644</u> | <u>112,414</u> |

11. STAFF COSTS

Staff costs were as follows:

| | 2016 £ | 2015 £ |
|--|------------------|------------------|
| Wages and salaries | 1,306,128 | 1,314,977 |
| Social security costs | 109,583 | 99,855 |
| Operating costs of defined benefit pension schemes | 259,751 | 242,561 |
| | <u>1,675,462</u> | <u>1,657,393</u> |
| Supply teacher costs | 74,297 | 43,092 |
| | <u>1,749,759</u> | <u>1,700,485</u> |

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

| | 2016 No. | 2015 No. |
|-----------------|-------------|-------------|
| Admin & Support | 24 | 25 |
| Management | 4 | 2 |
| Teachers | 12 | 17 |
| | <u>40</u> | <u>44</u> |

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

| | 2016 No. | 2015 No. |
|-------------------------------|-------------|-------------|
| In the band £70,001 - £80,000 | 2 | 2 |

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £293,859 (2015: £285,562).

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12. RELATED PARTY TRANSACTIONS- GOVERNORS' REMUNERATION AND EXPENSES

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

| | | 2016 | 2015 |
|----------------------------------|----------------------------|--------------|--------------|
| | | £'000 | £'000 |
| Mr R Coyle, Ex Officio | Remuneration | 70-75 | 70-75 |
| | Pension contributions paid | 10-15 | 10-15 |
| Jean Connery, Ex-officio | Remuneration | 70-75 | 70-75 |
| | Pension contributions paid | 10-15 | 10-15 |
| Geraldine Tatton, Staff Governor | Remuneration | 15-20 | 15-20 |
| | Pension contributions paid | 0-5 | 0-5 |
| Samuel Lehmann, Staff Governor | Remuneration | 40-45 | 40-45 |
| | Pension contributions paid | 5-10 | 5-10 |

During the year, no Governors received any reimbursement of expenses (2015 - £NIL).

Other related party transactions involving the trustees are set out in note 26.

13. GOVERNORS' 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £256 (2015 - £916).

14. PENSION FINANCE COSTS

| | 2016 | 2015 |
|--|-----------------|-----------------|
| | £ | £ |
| Expected return on pension scheme assets | 36,000 | 34,000 |
| Interest on pension scheme liabilities | (54,000) | (53,000) |
| | (18,000) | (19,000) |

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15. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Office equipment £ | Computer equipment £ | Total £ |
|-----------------------|-------------------------------|--------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 September 2015 | 441,997 | 132,460 | 72,934 | 647,391 |
| Additions | 27,646 | - | 32,416 | 60,062 |
| At 31 August 2016 | <u>469,643</u> | <u>132,460</u> | <u>105,350</u> | <u>707,453</u> |
| Depreciation | | | | |
| At 1 September 2015 | 204,255 | 123,832 | 28,735 | 356,822 |
| Charge for the year | 60,401 | 6,339 | 26,204 | 92,944 |
| At 31 August 2016 | <u>264,656</u> | <u>130,171</u> | <u>54,939</u> | <u>449,766</u> |
| Net book value | | | | |
| At 31 August 2016 | <u>204,987</u> | <u>2,289</u> | <u>50,411</u> | <u>257,687</u> |
| At 31 August 2015 | <u>237,742</u> | <u>8,628</u> | <u>44,199</u> | <u>290,569</u> |

The academy trust company occupies land (including buildings) which are owned by its Trustees who are the Roman Catholic Diocese of Southwark. The Trustees are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

16. STOCK

| | 2016 £ | 2015 £ |
|----------|---------------|---------------|
| Uniforms | <u>32,341</u> | <u>29,958</u> |

17. DEBTORS

| | 2016 £ | 2015 £ |
|--------------------------------|---------------|---------------|
| Other debtors | 29,518 | 21,231 |
| Prepayments and accrued income | 18,891 | 21,723 |
| | <u>48,409</u> | <u>42,954</u> |

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18. CREDITORS: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|--------------------------------------|----------------|----------------|
| Trade creditors | 3,252 | - |
| Other taxation and social security | 33,802 | 53,145 |
| Other creditors | 22,976 | - |
| Accruals and deferred income | 84,586 | 111,918 |
| | <u>144,616</u> | <u>165,063</u> |
| | 2016 £ | 2015 £ |
| Deferred income | | |
| Deferred income at 1 September 2015 | 45,260 | 36,478 |
| Resources deferred during the year | 51,374 | 45,260 |
| Amounts released from previous years | (45,260) | (36,478) |
| Deferred income at 31 August 2016 | <u>51,374</u> | <u>45,260</u> |

At the balance sheet date the academy was holding onto EFA Grants of £41,424 and Other Grants of £9,950.

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19. STATEMENT OF FUNDS

| | Brought Forward £ | Income £ | Expenditure £ | Transfers in/out £ | Pension cost re: change in actuarial assumptions £ | Carried Forward £ |
|--|-------------------------|-------------|------------------|--------------------------|--|-------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 185,748 | 32,998 | (56,296) | - | - | 162,450 |
| Restricted funds | | | | | | |
| Restricted Funds - all funds | 293,856 | 2,630,791 | (2,432,876) | (51,456) | - | 440,315 |
| Pension reserve | (502,000) | - | (24,000) | - | (538,000) | (1,064,000) |
| Other Restricted funds | - | - | (15,000) | - | 15,000 | - |
| | (208,144) | 2,630,791 | (2,471,876) | (51,456) | (523,000) | (623,685) |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - all funds | 290,569 | 8,606 | (92,944) | 51,456 | - | 257,687 |
| Total restricted funds | 82,425 | 2,639,397 | (2,564,820) | - | (523,000) | (365,998) |
| Total of funds | 268,173 | 2,672,395 | (2,621,116) | - | (523,000) | (203,548) |

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

Restricted Funds are spent on educational operations; Restricted Fixed Assets Funds are spent on particular capital purposes; Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy.

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 2016.

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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | 257,687 | 257,687 | 290,569 |
| Current assets | 162,450 | 584,931 | - | 747,381 | 644,667 |
| Creditors due within one year | - | (144,616) | - | (144,616) | (165,063) |
| Provisions for liabilities and charges | - | (1,064,000) | - | (1,064,000) | (502,000) |
| | <u>162,450</u> | <u>(623,685)</u> | <u>257,687</u> | <u>(203,548)</u> | <u>268,173</u> |

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2016 £ | 2015 £ |
|--|----------------|----------------|
| Net income for the year (as per Statement of financial activities) | 51,279 | 45,946 |
| Adjustment for: | | |
| Depreciation charges | 92,944 | 106,756 |
| Increase in stocks | (2,383) | (3,953) |
| Increase in debtors | (5,455) | (17,049) |
| (Decrease)/increase in creditors | (20,447) | 71,336 |
| FRS102 pension adjustment | 39,000 | 39,000 |
| Net cash provided by operating activities | <u>154,938</u> | <u>242,036</u> |

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2016 £ | 2015 £ |
|--------------|----------------|----------------|
| Cash in hand | 666,631 | 571,755 |
| Total | <u>666,631</u> | <u>571,755</u> |

23. 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 London Pension Fund Authority. Both are Multi-employer defined benefit pension schemes.

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

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

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23. PENSION COMMITMENTS (continued)

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.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out 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:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £175,629] (2015 - £161,798).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £84,000 (2015 - £81,000), of which

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23. PENSION COMMITMENTS (continued)

employer's contributions totalled £63,000 (2015 - £61,000) and employees' contributions totalled £21,000 (2015 - £20,000). The agreed contribution rates for future years are 20% for employers and 6% 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.

Principal actuarial assumptions:

| | 2016 | 2015 |
|-------------------------------|--------|--------|
| Rate of increase in salaries | 2.10 % | 4.30 % |
| Rate of increase for pensions | 2.30 % | 2.50 % |
| Discount Rate | 2.10 % | 3.90 % |

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

| | 2016 | 2015 |
|----------------------|------|------|
| Retiring today | | |
| Males | 21.6 | 21.6 |
| Females | 25.3 | 25.2 |
| Retiring in 20 years | | |
| Males | 24.0 | 23.9 |
| Females | 27.6 | 27.5 |

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

| | Fair value at 31 August 2016 £ | Fair value at 31 August 2015 £ |
|------------------------------|---|---|
| Equities | 562,000 | 396,000 |
| LDI/Cashflow matching | 59,000 | 128,000 |
| Property | 47,000 | 28,000 |
| Target Return Portfolio | 224,000 | 173,000 |
| Infrastructure | 73,000 | 49,000 |
| Commodities & cash | 31,000 | 122,000 |
| Total market value of assets | <u>996,000</u> | <u>896,000</u> |

The actual return on scheme assets was £51,000 (2015 - £1,000).

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23. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

| | 2016 £ | 2015 £ |
|--|------------------|-----------------|
| Current service cost (net of employee contributions) | (83,000) | (80,000) |
| Net interest cost | (18,000) | (19,000) |
| Total | <u>(101,000)</u> | <u>(99,000)</u> |

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

| | 2016 £ | 2015 £ |
|------------------------------------|------------------|------------------|
| Opening defined benefit obligation | 1,398,000 | 1,307,000 |
| Current service cost | 83,000 | 80,000 |
| Interest cost | 54,000 | 53,000 |
| Contributions by employees | 21,000 | 20,000 |
| Actuarial losses/(gains) | 538,000 | (26,000) |
| Benefits paid | (34,000) | (36,000) |
| Closing defined benefit obligation | <u>2,060,000</u> | <u>1,398,000</u> |

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

| | 2016 £ | 2015 £ |
|-------------------------------------|----------------|----------------|
| Opening fair value of scheme assets | 896,000 | 852,000 |
| Interest income | 36,000 | 34,000 |
| Actuarial gains and (losses) | 15,000 | (34,000) |
| Contributions by employer | 63,000 | 61,000 |
| Contributions by employees | 21,000 | 20,000 |
| Administration expenses | (1,000) | (1,000) |
| Benefits paid | (34,000) | (36,000) |
| Closing fair value of scheme assets | <u>996,000</u> | <u>896,000</u> |

24. MATERIAL PENSION COST

The latest valuation of the Local Government Pension Scheme (LGPS) occurred on 31 August 2016. Since the date of the previous valuation, a number of changes, both legislative and economic, have occurred which has impacted upon the actuarial assumptions made. Consequently, a significant cost has been incurred in the current financial period which is reflective of these changes made.

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25. MEMBERS' LIABILITY

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

26. RELATED PARTY TRANSACTIONS

Please refer to note 12 for Trustees' remuneration and expenses.

The academy trust company occupies land (including buildings) which are owned by its Trustees who are the Roman Catholic Diocese of Southwark. The Trustees are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

There were no further transactions during the period between the academy and the Roman Catholic Diocese of Southwark (2015: £nil). There were no balances owing to/from the Roman Catholic Diocese of Southwark at 31 August 2016 (2015: £nil).

There were no other related party transactions during the year.

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27. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure. The table below shows the effect of the transition to FRS 102 on the SOFA for the prior year:-

| Year ended 31 August 2015 | | | | |
|---|--------------|-----------------------------|-----------------------------|-----------------------------|
| | Notes | As previously stated | Effect of transition | FRS102 (as restated) |
| Total Income | | £2,570,178 | £nil | £2,570,178 |
| Total Expenditure | 1 | £2,509,232 | £15,000 | £2,524,232 |
| Actuarial gains and (losses) on defined benefit schemes | 1 | (£23,000) | £15,000 | (£8,000) |

NOTES TO RECONCILIATION

1. Local Government Pension Scheme

In the prior year, there were actuarial losses recognised on the scheme of £23,000. Under FRS 102, the following further adjustments have been made to the accounts:-

A decrease in the actuarial loss of £15,000 to (£8,000)

An increase in pension interest cost of £14,000 to £19,000 as shown under support costs.

An increase in pension support costs of £1,000 to £59,365 as shown under support costs.