

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**LANDAU BAKER LIMITED**

**Chartered Accountants & Statutory Auditors**

**Mountcliff House**

**154 Brent Street**

**London**

**NW4 2DR**



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

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**Members**

Monsignor M Dickens  
Monsignor Canon M Lee  
C Wright (Chairman)

**Trustees**

C Wright, Chair of Trustees  
T Allen, Staff Trustee (resigned 15 October 2016)  
J Blumenstein (resigned 24 September 2015)  
E Cahill, Principal & Accounting Officer<sup>1</sup>  
L Collyer - Hamlin  
J deQuidt, Vice Chair<sup>1</sup>  
N Kasolowsky (resigned 10 September 2016)  
R Murphy  
Fr. G O'Brien  
B Palazzolo, Staff Trustee (resigned 5 March 2016)  
C Rand<sup>1</sup>  
A Stewart (resigned 16 September 2016)  
N Short (appointed 6 October 2015)<sup>1</sup>  
C Murphy, Staff trustee (appointed 7 December 2015)  
D Doherty (appointed 14 April 2016)<sup>1</sup>  
T Ayles (appointed 15 April 2016)<sup>1</sup>  
A McConvey, Staff trustee (appointed 5 May 2016)

<sup>1</sup> Members of the Resources Committee

**Company registered number**

7907633

**Company name**

St Agatha's Catholic Primary School

**Registered office**

Mountcliff House, 154 Brent Street, London, NW4 2DR

**Principal operating office**

St Agathas Drive, Kingston Upon Thames, Surrey, KT2 5TY

**Company secretary**

C Blake

**Senior management team**

E Cahill, Head Teacher  
B Palazzolo, Deputy Head Teacher  
S Barley, Acting Deputy Head Teacher

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
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**Advisers (continued)**

**Independent auditors**

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

**Bankers**

Lloyds Bank PLC, 83, Clarence Street, Kingston Upon Thames, Surrey, KT1 1RE

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**TRUSTEES' REPORT**  
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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 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 Academy Trust operates an academy for pupils aged 3 to 11 serving a catchment area in Kingston. It has a pupil capacity of 502 and had 480 on roll at the time of the school census on 15 January 2016.

Since the Academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Structure, governance and management**

**a. CONSTITUTION**

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of St Agatha's Catholic Primary School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as St Agatha's Catholic Primary School.

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

The Academy was incorporated on 12 January 2012 and under the terms of a Funding Agreement entered into with the Secretary of State for Education, became an academy on 01 February 2012. The articles of association are the primary governing document of the Academy Trust.

Details of governors who served during the period are shown 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.

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**TRUSTEES' REPORT (continued)**  
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**c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

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

- The Principal (Head Teacher)
- 8 Foundation Governors
- 2 Staff Governors
- 2 Parent Governors
- 1 Community Governor

The Principal is appointed by the Board of Governors of the Academy Trust and is treated for all purposes as being an ex officio Governor.

Foundation Governors are appointed by the Archbishop of the Roman Catholic Diocese of Southwark on the recommendation of Father Gerry O'Brian, Parish Priest at St Agatha's Church, Kingston-upon-Thames. The Governing Body regularly reviews its skills and experience and takes this into account when recruiting its Foundation Governors and Community Governor. All of our existing Foundation Governors are members of St Agatha's parish or neighbouring parishes and when a vacancy has arisen, they have taken an active role in identifying suitable candidates from within the local area, who have then been interviewed by the Chair of Governors and other Governors if appropriate, with a final recommendation made by the Chair of Governors to Father Gerry O'Brien.

Parent Governors are elected by parents of registered pupils at the Academy and must themselves be a parent of a pupil at the Academy at the time when they are elected. The Board of Governors shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Where there are more candidates than vacancies, an election will be held by secret ballot; where only one candidate comes forward for an election they will be automatically appointed; and where the number of candidates is below the number of vacancies, the Board of Governors shall be entitled to appoint a Parent Governor, and in doing so shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Staff Governors are elected by all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Principal). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate is determined by the Board of Governors. Where a Staff Governor ceases to work at the Academy they shall be deemed to have resigned and shall cease to be a Governor automatically on termination of their work at the Academy. Where there are more candidates than vacancies, an election will be held by secret ballot, and should only one candidate come forward for an election then they will be automatically appointed.

The Community Governor is appointed by the Board of Governors of the Academy Trust.

The Secretary of State for Education also has certain powers to appoint additional Governors where she is satisfied that:

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

The Secretary of State for Education has not exercised this discretion to date, and we have no cause to believe this is something she is giving consideration to at the current time.

The term of office for any Governor shall be four 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

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be re-appointed or re-elected.

**d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new governors will depend on their existing experience.

All new governors are given a tour of the Academy and the chance to meet the staff and students and are provided with an induction pack which includes the following:

- A list of other members of the Board of Governors along with their contact details.
- Calendar of Committee Meetings for the Academic Year.
- The Governors Handbook produced by the National Governors Association.
- The Governors' Code of Conduct document.
- The Academy Trust's Articles of Association.
- The Academy Trust's policies and procedures.
- The minutes from the last two meetings of the Board of Governors, and the sub-committee that they will be joining along with the Terms of Reference for those committees.
- The Academy Trust's latest annual report and accounts and current year budget.
- Our last OFSTED and Section 48 RE Inspection reports.

New governors will also be given the opportunity to attend relevant training courses provided by 'Achieving for Children' on charity, educational, legal and financial matters.

All governors undertake safeguarding training and are subject to a check by the Disclosure and Barring Service.

**e. ORGANISATIONAL STRUCTURE**

The Academy Trust has established a management structure to enable its efficient running. The structure consists of two levels: the Board of Governors and the Executive who are the Senior Leadership Team.

The Board of Governors has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the Academy Trust and monitor its progress towards these objectives.

The Board of Governors 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 Board of Governors is responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by use of budgets and making major decisions about the direction of the Academy Trust, including capital expenditure and senior staff appointments, including the Principal.

**f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

Related Parties are as follows:

- E Cahill is a Director of the Company and also Head Teacher at the School.
- C Murphy became a Director of the Company on 7 December 2015 and is also a Teacher at the School.
- A McConvey became a Director of the Company on 5 May 2016 and is also a Teaching Assistant at the School.
- T Allen was a Director of the Company until 15 October 2015 and is also a Teacher at the School.
- B Palazzolo was a Director of the Company until 5 March 2016 and is also Deputy Head Teacher at the School.

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**g. TRUSTEES' INDEMNITIES**

Subject to the provisions of the Companies Act, every governor or other officer of the charitable company shall be indemnified out of the assets of the charitable company 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 Charitable Company.

**Objectives and Activities**

**a. OBJECTS AND AIMS**

The principal object and activity of the Academy is the operation of St Agatha's Catholic Primary School to provide a broad and balanced education for pupils of all abilities in the Kingston 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 pupils 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; and the basis for charging pupils.



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**b. OBJECTIVES, STRATEGIES AND ACTIVITIES**

The Academy has undertaken a self-evaluation to correctly identify objectives for the next year. These objectives are:

- To develop more effective relationships between all stakeholders to positively impact on the ethos of the Academy and behaviour of pupils within the Academy
- The Academy will strengthen its accountability structure through a review of the effectiveness of leadership and management. It will achieve this through developing its middle leaders.
- Achieve consistently high standards of teaching and learning
- Further develop cost effective curriculum design and collaboration which optimises opportunities for pupils and provides added value progress for them
- Achieve best value in service delivery especially where partnership working can add value.

The Academy's main strategy is encompassed in the Academy's Aims, which are to develop pupils who are:

- Independent and active learners
- Prepared for their next stage in education.
- Happy, healthy and safe
- Caring individuals who serve their community

The Academy's vision is to build an ethos where:

- Every child is capable of extraordinary achievement;
- Any child can realise their potential;
- Barriers to each individual child's development are removed in order to create the conditions in which they can progress with high self-esteem;
- Every child has an absolute right to an equal opportunity to flourish;
- All adults act as role models that support children's love and enjoyment of learning;
- Children develop the skills, knowledge and attitudes to realise their own dreams through a positive contribution to their community and wider society;
- Each child's own identity is embraced and they respect the identity of other individuals and groups in our community and wider society.

The main activities the Academy will undertake for achieving objectives will be:

- Developing teaching and learning whilst embedding a new assessment system.
- Embed its reviewed curriculum provision to enhance creativity and engagement.
- The accountability of the Academy will be strengthened by the development of new policies and procedures and embedding of a new middle leader staffing structure.

In achieving its objectives the Academy will develop children who:

- Develop life skills and academic and personal independence.
- Enjoy and cultivate a positive approach to, and accept responsibility for, their learning.
- Recognise that making mistakes is a key part of successful learning and develop perseverance.
- Develop a broad range of transferable skills and are able to apply knowledge and understanding to a wide range of situations.
- Safely enjoy new technologies.
- Have opportunities for leadership in all Key Stages.
- Work successfully in teams and as individuals and learn from their experiences.
- Understand democracy and the importance of voting.
- Understand the importance of and contribute to student voice activities.
- Respect everyone and welcome differences.
- Are aware of the consequences of their actions.
- Learn to be good listeners and communicators.
- Respect oneself and Respect other's opinions and beliefs.
- Participate in a range of community activities.
- Create cultural, social and economic links with the local and wider communities.
- Demonstrate environmental awareness in school and wider communities.

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- Are Happy, Healthy & Safe.
- Understand the importance of healthy eating for physical and mental wellbeing.
- Understand the importance of exercise for physical and mental wellbeing.
- Take advantage of and enjoy a range of extra-curricular activities.
- Are prepared for their future.

**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. Examples of this is raising money for local, national and international charities such as CAFOD, The Cardinal Hume Society and Operation Christmas Child.

**Strategic Report and Key Performance Indicators**

**a. ACHIEVEMENTS AND PERFORMANCE**

- The Academy received an Ofsted Inspection in June 2014 and was judged to be GOOD in all areas.
- The Academy received a S. 48 Religious Education Inspection in September 2014 and was judged GOOD in all areas.
- The Academy holds the Quality Mark for Science (awarded June 2014), for Physical Education (awarded Bronze July 2014, Silver July 2015, Gold July 2016), and for Travel Plan (awarded July 2016).
- The Academy holds the Quality Marks for Maths and English (both last validated November 2014).

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**b. KEY PERFORMANCE INDICATORS**

**Achievement: Preamble for 2015-2016** - As this is the first year of the new assessments in Year 2 and Year 6, the results will look different from those of previous years and cannot be directly compared with them. This is because the new curriculum is significantly more challenging than before with higher expectations of achievement for pupils. The previous levels are not comparable with scaled scores. For each of the tests, children are awarded a 'raw' score (the number of marks gained) and this is converted to a 'scaled' score. Scaled scores range between 80 and 120, with 100 representing the expected standard in each test. Children receiving a scaled score of 100 or more are working at or above the expected standard in the subject.

**EYFS outcomes 2015-16**

EYFS outcomes 2015-16:

	School 2016	National 2016
Good Level of Development	78%	69%

Year 1 Phonics 2015-16:

	School 2016	National 2016
Year 1 Phonics 2016	93%	81%

Key Stage One Attainment 2015-16:

	School 2016	National 2016
KS1 Reading	77%	74%
KS1 Writing	75%	65%
KS1 Maths	78%	73%
KS1 combined RWM	70%	60%

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Key Stage Two Attainment 2015-16:

	<b>Expected Standard School 2016</b>	<b>Expected Standard National 2016</b>	<b>Exceeding Expected Standard School 2016</b>	<b>Exceeding Expected Standard National 2016</b>
KS2 Reading	<b>74%</b>	66%	<b>28%</b>	19%
KS2 Writing	<b>79%</b>	74%	<b>31%</b>	15%
KS2 Maths	<b>76%</b>	70%	<b>24%</b>	17%
KS2 GPS	<b>84%</b>	72%	<b>47%</b>	22%
KS2 combined RWM	<b>66%</b>	53%	<b>9%</b>	5%

Key Stage Two Average Point Score 2015-16:

	<b>Average point score School 2016</b>	<b>Average point score National 2016</b>
KS2 Reading	<b>104.6</b>	102.6
KS2 Maths	<b>104.5</b>	103.0
KS2 GPS	<b>107.4</b>	104.0

Key Stage Two Progress 2015-16

	<b>Value added score 2016</b>		
	<b>Reading</b>	<b>Writing</b>	<b>Maths</b>
<b>School 2016</b>	<b>0.61</b>	<b>1.46</b>	<b>0.05</b>
<b>National 2016</b>	0.00	0.00	0.00

**School Absence Data**

Attendance was good at 96.5% for 2015/16. There was 1 fixed term exclusion during 2015-16.

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Authorised	2.8%	3.0%	3.0%
Unauthorised	0.3%	0.5%	0.5%

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**c. GOING CONCERN**

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

**Financial review**

**a. FINANCIAL REVIEW**

Almost all of Academy Trust'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 year ended 31 August 2016, and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year, the Trustees were successful in securing further discretionary capital funding from the EFA's Academies Capital Maintenance Fund (ACMF) to correct the water pressure serving the school's buildings. In accordance with the Charities Statement of Recommended Practice, Accounting for Charities (SORP 2005) 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.

The Governors, through the Resources Committee and the Head Teacher, receive financial progress reports throughout the year and compare against budgets submitted to the Education Funding Agency.

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**b. 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:

- permanent endowment funds.
- expendable endowment funds.
- restricted income funds.
- 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 (i.e. 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.

The Trustees were mindful of the need to build reserves for the Academy Trust when it initially converted from a maintained School and were able to secure over £100,000 for such purposes. The Trustees have subsequently agreed balanced budgets each year and have carefully managed the Academy Trust's finances to ensure that this position has been maintained. The Trustees review the level of reserves on a regular basis and believe it would be impractical to increase this further at a time when our core funding from the EFA has been falling year on year.

Total Reserves, excluding Fixed Asset Funds and our liability under the LGPS, stood at £85,142 as at 31 August 2016, being £97,819 of Unrestricted Funds and £(12,677) of Restricted Funds.

The Trustees have agreed to ring fence £20,000 worth of reserves to 'self-insure' for Long Term Sickness and Absence of employees, leaving a balance of £65,142 of general reserves.

**c. INVESTMENTS POLICY**

The Academy Trust is permitted under its Articles of Association to deposit or invest any funds not immediately required for the furtherance of its Object, and the Trustees have agreed to restrict Investments to time deposits with UK High Street Banks as they are considered to represent the lowest risk, whilst still giving some return.

The Trustees have identified that the £100,000 of reserves can be invested given that the Academy is operating to a balanced budget and its income generally precedes its expenditure, and have sought to maximise returns, without materially restricting liquidity by holding time deposits for up to 1 year duration, but with staggered maturity dates.

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**d. PRINCIPAL RISKS AND UNCERTAINTIES**

The Companies Act 2006 s 417(3b) requires disclosure of the principal risks and uncertainties facing a company.

The Trustees consider the greatest risk to the longer term success of the Academy to be the continuing reduction in funding from the EFA following the decision of the Department for Education to make Academies subject to the same local funding formula as maintained schools. With the number of Children on the school roll pretty static, the Academy Trust received lower funding per pupil for the year to 31 August 2015 than it did for the previous two years, is expected to receive less again for the Year to 31 August 2016, and in all cases the reduction would have been higher had it not been capped by the EFA's Minimum Funding Guarantee. The majority of the Academy Trust's expenditure consists of the salaries of teaching and support staff, so in light of falling Income, the Trustees, together with the Principal, have been tightly monitoring the Academy's staffing structure to ensure it remains affordable.

The Academy is exposed to a number of other financial risks including credit, cash flow and liquidity risks. The Academy Trust does not use financial instruments (derivatives or investment products) and has limited trade and other debtors so its short term exposures principally relate to bank balances, cash and trade creditors, and we have robust internal controls and an on-going assurance programme to ensure risk is minimal in these areas. A risk register has been established and is updated regularly and 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 trustees 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 trustees 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 health and safety of 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.

**Plans for future periods**

**a. FINANCIAL**

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 Academies Capital Maintenance Fund. Over the coming year priority will be given to improved water pressure, replacement of boilers and re-development of the caretaker's flat as a teaching space to improve provision for SEN children.

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**b. PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

The Academy Trust has a Pay Policy which is based on the Standard Teacher's Pay & Condition's Document, and which is reviewed on an annual basis to ensure it remains appropriate. The Trustees have not to date felt there has been a justification to deviate from the Standard Teacher's Pay & Condition's Document but reserves the right to do, if it deems it necessary for attracting and retaining key management personnel.

**a. PUPIL ACHIEVEMENT**

**a) Early Years Foundation Stage**

Key priorities are to:

- Improve achievement of PPG pupils.
  - Develop early writing skills in EYFS with a particular focus on boys.
- Introduce highly successful strategies that engage all parents in their children's learning in the setting and at home.

**b) Early Years Foundation Stage**

Key priorities are to:

- Improve achievement of PPG pupils.
- Develop early writing skills in EYFS with a particular focus on boys.
- Introduce highly successful strategies that engage all parents in their children's learning in the setting and at home.

**c) Key Stage 1**

Key priorities are to:

- Improve the achievement of the PPG pupils.
- Develop early writing skills with a particular focus on boys.
- Ensure that all more-able pupils are given work that challenges them.

**d) Key Stage 2**

Key priorities are to:

- Improve achievement of PPG pupils.
- Ensure all middle attainers in maths at KS1 achieve expected progress at KS2.
- Ensure middle attaining children make at least expected progress between KS1 and 2.
- Improve the joint reading, writing and maths outcomes across the school.

**b. THE QUALITY OF TEACHING**

Key priorities are to:

- Embed a consistent approach to next step marking ensuring all pupils are given clear guidance on how to improve and regular opportunities to read and respond.
- Embed National changes in assessment procedures.



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**c. BEHAVIOUR & SAFETY OF PUPILS AT THE SCHOOL**

Key priorities are to:

- Monitor the impact of the new approach to school values.

**d. QUALITY OF LEADERSHIP AND MANAGEMENT**

The key priorities are to:

- Develop Phase Leaders to ensure best practise is spread effectively for whole school improvement and improve their checks on the quality of teaching and pupils' achievements across the school.
- To continue developing the governing body as critical friends through ensuring they have key skills and knowledge in order to carry out this role effectively.
- To use strategic data analysis tools effectively to track pupil progress and inform interventions in order to raise standards.

**FUNDS HELD AS CUSTODIAN**

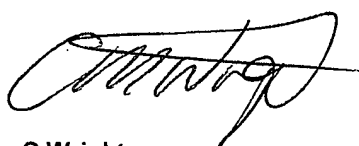
The Academy Trust and/or its trustees did not act as custodian trustee during the current or previous period.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by order of the board of trustees as the company directors, on 8 December 2016 and signed on its behalf by:



**C Wright**  
Chairman of the Trustees

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Agatha's Catholic Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

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

Trustee	Meetings attended	Out of a possible
C Wright, Chair of Trustees	4	4
T Allen, Staff Trustee	0	1
J Blumenstein	1	1
E Cahill, Principal & Accounting Officer	4	4
L Collyer - Hamlin	4	4
J deQuidt, Vice Chair	4	4
N Kasolowsky	2	4
R Murphy	4	4
Fr. G O'Brien	2	4
B Palazzolo, Staff Trustee	2	2
C Rand	4	4
A Stewart	3	4
N Short	2	4
C Murphy, Staff trustee	2	2
D Doherty	1	1
T Ayles	1	1
A McConvey, Staff trustee	1	1

C Wright was re-elected Chair of Governors and J de Quidt was re-elected Vice Chair of Governors at the meeting of the Board of Governors on 8 September 2015, and both held their respective roles throughout the year.

J Blumstein resigned from the Board in September 2015 following a change in her circumstances which made it impossible to attend future meetings and was succeeded as Community Governor by N Short, who had previously been co-opted onto the Board to fulfil the role of Responsible Officer, which she has continued to undertake during the year.

T Allen resigned from the Board in November 2015 and was succeeded as Staff Governor by C Murphy, also a Teacher at the Academy, who was elected unopposed and became a Trustee in December 2015; B Palazzolo reached the end of her 4 year term as Staff Governor in March 2016 and was succeeded by A McConvey, a Teaching Assistant at the Academy, who was elected by Staff members and became a Trustee in May 2016.

N Kasolowsky and A Stewart both ceased to be Trustees between the end of the Reporting Period and the date of this Report as each served a full four year term as a Foundation Governor. Successors have been identified and at the date of this Report we are waiting on them to be formally approved by the Archbishop of Southwark.

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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The Board of Governors reviews its effectiveness on a regular basis including self-appraisal by way of an annual questionnaire. The Company Secretary maintains a list of Governor's skills and experience, which is updated for new Governors as they join, and existing Governors on an annual basis and this is used by the Chair of Governors and Company Secretary when recruiting for new Foundation and Community Governors.

#### **RESOURCES COMMITTEE**

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to oversee the school finances; the maintenance and development of the school site and premises; and the adoption and implementation of staffing policies and procedures.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J de Quidt (Chairman)	4	4
N Short	3	3
E Cahill (Principal)	3	4
D Doherty	1	1
C Rand	4	4
T Ayles	1	1

During the year, J de Quidt, former Chief Executive of the Football Licensing Authority (now the Sports Grounds Safety Authority), chaired the Committee and acted as Health and Safety Link Governor.

C Rand acted as Finance Link Governor on an interim basis following the resignation of J Blumenstein in September 2015 whilst we undertook a targeted campaign to appoint additional Foundation Governors with relevant experience to join our Resources Committee. This campaign resulted in us appointing D Doherty, a Parishioner who is a Chartered Accountant and Deputy Finance Director of a large UK charity, and T Ayles, a Parishioner who works for an Investment Bank in the City of London, as Foundation Governors in March 2016, with both joining this Committee and D Doherty becoming Finance Link Governor.

N Short, who had been co-opted by the Board of Governors last year to undertake the role of Responsible Officer with attendance rights at the Resources Committee was appointed to the Board as our Community Governor in October 2015 and continued to attend this Committee.

#### **REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Head Teacher has responsibility for ensuring that the academy 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 academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Employing a qualified Sports Coach to provide higher quality sports lessons at lower cost than if they were provided by a qualified teacher;
- Re-developing the outside Early Years Foundation Stage grounds and equipment at no cost to the school through donations of time and materials from local businesses; and
- Having our Responsible Officer carry out the financial assurance testing themselves that we previously paid a third-party Consultant to undertake.

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

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

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal 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 board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the 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 board of trustees has re-considered the need for a specific internal audit function and has decided to appoint Nikki Short as Responsible Officer. Nikki shadowed Keith Fox, a financial consultant with expertise in school accounting matters, who we had been using to carry out a range of checks on the Academy Trust's financial systems and procedures on a termly basis, and to report his findings formally to the Responsible Officer during the Spring Term and then carried out this testing herself from summer term onwards.

The Responsible Officer's 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

The Responsible Officer reports to the Board of Trustees, through the Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Board can confirm that the Responsible Officer has delivered their schedule of work as planned, provided details of any material control issues arising as a result of their work. During the current and previous period, there were no material control issues noted and thus no remedial action was required to be taken.

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (continued)**

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**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 peer reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources and a plan to address any weaknesses highlighted during the year and to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 8 December 2016 and signed on their behalf, by:

  
C Wright  
Chair of Trustees

  
E Cahill  
Accounting Officer

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of St Agatha's Catholic Primary School 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 2016.

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

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



**Elizabeth Cahill**  
**Accounting Officer**

Date: 8 December 2016

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
**(A company limited by guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 8 December 2016 and signed on its behalf by:



**C Wright**  
Chair of Trustees

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST AGATHA'S CATHOLIC PRIMARY SCHOOL**

We have audited the financial statements of St Agatha's 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 charitable company'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 charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial



**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST AGATHA'S CATHOLIC PRIMARY SCHOOL**

year for which the financial statements are prepared is consistent with the financial statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London

NW4 2DR

Date: 8 DECEMBER 2016

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST AGATHA'S  
CATHOLIC PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 04 July 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Agatha's 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 St Agatha's 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 St Agatha's 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 St Agatha's Catholic Primary School and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF ST AGATHA'S CATHOLIC PRIMARY SCHOOL'S ACCOUNTING  
OFFICER AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of St Agatha's Catholic Primary School's funding agreement with the Secretary of State for Education dated 01 February 2012, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the 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.

### **Landau Baker Limited**

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London  
NW4 2DR

8 December 2016

**ST AGATHA'S 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 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	18,782	-	29,717	48,499	275,048
Charitable activities	3	-	1,903,945	-	1,903,945	1,972,315
Other trading activities	4	76,899	-	-	76,899	64,233
Investments	5	738	-	-	738	837
<b>TOTAL INCOME</b>		<b>96,419</b>	<b>1,903,945</b>	<b>29,717</b>	<b>2,030,081</b>	<b>2,312,433</b>
<b>EXPENDITURE ON:</b>						
Raising funds		60,605	-	-	60,605	66,873
Charitable activities		9,018	2,010,690	157,660	2,177,368	2,152,006
<b>TOTAL EXPENDITURE</b>	8	<b>69,623</b>	<b>2,010,690</b>	<b>157,660</b>	<b>2,237,973</b>	<b>2,218,879</b>
<b>NET INCOME / (EXPENDITURE) BEFORE MATERIAL LOSSES</b>		<b>26,796</b>	<b>(106,745)</b>	<b>(127,943)</b>	<b>(207,892)</b>	<b>93,554</b>
Transfers between Funds	18	-	(3,208)	3,208	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>26,796</b>	<b>(109,953)</b>	<b>(124,735)</b>	<b>(207,892)</b>	<b>93,554</b>
Actuarial losses on defined benefit pension schemes	22	-	(357,000)	-	(357,000)	(10,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>26,796</b>	<b>(466,953)</b>	<b>(124,735)</b>	<b>(564,892)</b>	<b>83,554</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		71,023	(583,724)	8,965,688	8,452,987	8,369,433
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>97,819</b>	<b>(1,050,677)</b>	<b>8,840,953</b>	<b>7,888,095</b>	<b>8,452,987</b>

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 7907633**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	2015 £
<b>FIXED ASSETS</b>				
Tangible assets	14		8,840,953	8,965,688
<b>CURRENT ASSETS</b>				
Stocks	15	2,704		2,460
Debtors	16	31,669		76,010
Cash at bank and in hand		127,285		241,236
		<u>161,658</u>		<u>319,706</u>
<b>CREDITORS: amounts falling due within one year</b>	17	(76,516)		(193,407)
<b>NET CURRENT ASSETS</b>			85,142	126,299
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			8,926,095	9,091,987
Defined benefit pension scheme liability	22	(1,038,000)		(639,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u>7,888,095</u>	<u>8,452,987</u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted income funds:				
Restricted income funds	18	(12,677)		55,276
Restricted fixed asset funds	18	8,840,953		8,965,688
Restricted income funds excluding pension liability		8,828,276		9,020,964
Pension reserve		<u>(1,038,000)</u>		<u>(639,000)</u>
Total restricted income funds			7,790,276	8,381,964
Unrestricted income funds	18		97,819	71,023
<b>TOTAL FUNDS</b>			<u>7,888,095</u>	<u>8,452,987</u>

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

  
**C Wright**  
Chair of Trustees

The notes on pages 29 to 47 form part of these financial statements.

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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

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	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	<u>(81,026)</u>	<u>289,157</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<u>(32,925)</u>	<u>(261,920)</u>
<b>Net cash used in investing activities</b>		<u>(32,925)</u>	<u>(261,920)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(113,951)</b>	<b>27,237</b>
Cash and cash equivalents brought forward		<u>241,236</u>	<u>213,999</u>
<b>Cash and cash equivalents carried forward</b>		<u><u>127,285</u></u>	<u><u>241,236</u></u>

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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

**1. ACCOUNTING POLICIES**

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

**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.

St Agatha's 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 Trustees.

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.

**ST AGATHA'S CATHOLIC PRIMARY SCHOOL**  
(A company limited by guarantee)

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**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.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of 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 £2,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. 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.

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:

L/Term Leasehold Property	-	125 Years
Fixtures and fittings	-	5 to 10 Years
Computer equipment	-	3 Years
Catering Equipment	-	5 Years



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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**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 Operating leases**

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

**1.9 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.

**1.10 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.

**1.11 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.

**1.12 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.

**1.13 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.14 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.

**1.15 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 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.15 Pensions (continued)**

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

**1.16 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 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.

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**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	18,782	-	-	18,782	57,398
Capital Grants	-	-	29,717	29,717	217,650
	<u>18,782</u>	<u>-</u>	<u>29,717</u>	<u>48,499</u>	<u>275,048</u>
Total donations and capital grants	18,782	-	29,717	48,499	275,048

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds and £275,048 was to restricted funds

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Educational Operations	-	1,903,945	1,903,945	1,972,315
	<u>-</u>	<u>1,903,945</u>	<u>1,903,945</u>	<u>1,972,315</u>

In 2015, of the total income from charitable activities, £ *NIL* was to unrestricted funds and £1,972,315 was to restricted funds.

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>			
General Annual Grant (GAG)	1,683,515	1,683,515	1,740,390
Other Government Grant	2,200	2,200	2,200
Pupil Premium	44,985	44,985	48,616
SEN	4,694	4,694	5,004
Other EFA Grant	168,551	168,551	176,105
	<u>1,903,945</u>	<u>1,903,945</u>	<u>1,972,315</u>

In 2015, of the total income from charitable activities, £ *NIL* was to unrestricted funds and £1,972,315 was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
School Trip Income	52,548	52,548	46,402
Swimming Income	1,510	1,510	1,435
School Uniform Income	7,486	7,486	11,475
Other Income	15,355	15,355	4,921
	<u>76,899</u>	<u>76,899</u>	<u>64,233</u>

In 2015, of the total income from other trading activities, £64,233 was to unrestricted funds and £ NIL was to restricted funds.

**5. INVESTMENTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	738	-	738	837
	<u>738</u>	<u>-</u>	<u>738</u>	<u>837</u>

In 2015, of the total investment income, £ 837 was to unrestricted funds and £ NIL was to restricted funds.

**6. DIRECT COSTS**

	Educational Operations	Total 2016	Total 2015
Pension income	24,000	24,000	-
Education Supplies	52,681	52,681	84,040
Staff Development	16,829	16,829	14,137
Educational Consultancy	4,365	4,365	6,955
Other Direct Costs	16,974	16,974	12,620
Staff supply costs	49,937	49,937	68,105
Technology Costs	18,719	18,719	19,587
Wages and Salaries	1,055,630	1,055,630	1,060,914
National Insurance	68,934	68,934	60,582
Pension Cost	173,086	173,086	162,243
	<u>1,481,155</u>	<u>1,481,155</u>	<u>1,489,183</u>

In 2015, the academy incurred the following Direct costs:

£1,489,183 in respect of Educational Operations

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. SUPPORT COSTS**

	Governance	Educational Operations	Total 2016	Total 2015
Pension Finance Costs - LGPS	-	-	-	11,000
Depreciation	-	157,660	157,660	123,055
Maintenance of premises and equipment	-	36,139	36,139	40,893
Cleaning	-	41,334	41,334	30,500
Rent & Rates	-	16,126	16,126	15,502
Insurance	-	27,205	27,205	28,817
Catering	-	66,529	66,529	67,756
Bank interest and charges	-	278	278	272
Other support costs	7,795	57,985	65,780	54,293
Recruitment and support costs	-	1,105	1,105	500
Technology costs	-	3,100	3,100	3,610
Energy costs	-	17,781	17,781	18,770
Wages and salaries	-	191,970	191,970	187,260
National insurance	-	12,581	12,581	10,017
Pension contributions	-	58,625	58,625	70,578
	<u>7,795</u>	<u>688,418</u>	<u>696,213</u>	<u>662,823</u>

During the year ended 31 August 2016, the academy incurred the following Governance costs:

£7,795 (2015 - £4,593) included within the table above in respect of Educational Operations.

In 2015, the academy incurred the following Support costs:

£662,823 in respect of Educational Operations

**8. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	-	-	60,605	60,605	66,873
Educational Operations:					
Direct costs	1,347,587	-	133,568	1,481,155	1,489,183
Support costs	263,176	162,539	262,703	688,418	668,230
	<u>1,610,763</u>	<u>162,539</u>	<u>456,876</u>	<u>2,230,178</u>	<u>2,224,286</u>

In 2016, of the total expenditure, £69,623 (2015 - £66,873) was to unrestricted funds and £2,136,555 (2015 - £2,157,413) was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	157,660	123,055
Auditors' remuneration - audit	4,000	4,000
Auditors' remuneration - other services	2,075	2,075
	<u>163,735</u>	<u>129,130</u>

**10. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,247,600	1,248,174
Social security costs	81,515	70,599
Operating costs of defined benefit pension schemes	231,711	232,821
	<u>1,560,826</u>	<u>1,551,594</u>
Supply teacher costs	49,937	68,105
	<u>1,610,763</u>	<u>1,619,699</u>

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

	2016 No.	2015 No.
Teachers	18	20
Management	3	2
Administration and Support	20	20
	<u>41</u>	<u>42</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1

The above employee participated in the Teachers' Pension Scheme.

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**11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

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

E Cahill (Principal and Trustee):

Remuneration £65,000 - £70,000 (2015: £65,000 - £70,000)

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

B Palazzolo (Deputy Headteacher and Trustee):

Remuneration £40,000 - £45,000 (2015: £55,000 - £60,000)

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

T Allen (Staff Trustee):

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

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

During the year, no Trustees received any benefits in kind (2015 - £NIL).

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

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

**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £16,927 (2015 - £901).

**13. PENSION FINANCE COST**

	2016 £	2015 £
Interest income on pension scheme assets	24,000	29,000
Interest on pension scheme liabilities	(48,000)	(40,000)
	<u>(24,000)</u>	<u>(11,000)</u>



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

**14. TANGIBLE FIXED ASSETS**

	L/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Catering Equipment £	Total £
<b>Cost</b>					
At 1 September 2015	8,617,558	695,741	51,631	25,273	9,390,203
Additions	-	32,925	-	-	32,925
At 31 August 2016	8,617,558	728,666	51,631	25,273	9,423,128
<b>Depreciation</b>					
At 1 September 2015	275,760	91,754	38,888	18,113	424,515
Charge for the year	68,940	74,020	9,645	5,055	157,660
At 31 August 2016	344,700	165,774	48,533	23,168	582,175
<b>Net book value</b>					
At 31 August 2016	8,272,858	562,892	3,098	2,105	8,840,953
At 31 August 2015	8,341,798	603,987	12,743	7,160	8,965,688

The academy trust company occupies land (including buildings) which are owned by its Trustees who are the Archdiocese 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.

**15. STOCKS**

	2016 £	2015 £
Uniforms	2,704	2,460

**16. DEBTORS**

	2016 £	2015 £
Other debtors	10,746	31,979
Prepayments and accrued income	20,923	44,031
	31,669	76,010

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	-	92,905
Other taxation and social security	26,370	24,537
Accruals and deferred income	50,146	75,965
	<u>76,516</u>	<u>193,407</u>
	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	42,628	37,924
Resources deferred during the year	37,346	42,628
Amounts released from previous years	(42,628)	(37,924)
Deferred income at 31 August 2016	<u>37,346</u>	<u>42,628</u>

At the balance sheet date the academy trust was holding funds received in advance for the EFA Universal free school meals grant.

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

**18. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Pension cost re: changes in actuarial assumption s £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds - all funds	71,023	96,419	(69,623)	-	-	97,819
<b>Restricted funds</b>						
Restricted Funds - all funds	55,276	1,903,945	(1,968,690)	(3,208)	-	(12,677)
Pension reserve	(639,000)	-	(42,000)	-	(357,000)	(1,038,000)
	<u>(583,724)</u>	<u>1,903,945</u>	<u>(2,010,690)</u>	<u>(3,208)</u>	<u>(357,000)</u>	<u>(1,050,677)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	8,965,688	29,717	(157,660)	3,208	-	8,840,953
Total restricted funds	<u>8,381,964</u>	<u>1,933,662</u>	<u>(2,168,350)</u>	<u>-</u>	<u>(357,000)</u>	<u>7,790,276</u>
Total of funds	<u><u>8,452,987</u></u>	<u><u>2,030,081</u></u>	<u><u>(2,237,973)</u></u>	<u><u>-</u></u>	<u><u>(357,000)</u></u>	<u><u>7,888,095</u></u>

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

Restricted Fixed Assets funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted General funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The Restricted funds can only be used in the terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation 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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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. 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	-	-	8,840,953	8,840,953	8,965,688
Current assets	97,819	63,839	-	161,658	319,706
Creditors due within one year	-	(76,516)	-	(76,516)	(193,407)
Provisions for liabilities and charges	-	(1,038,000)	-	(1,038,000)	(639,000)
	<u>97,819</u>	<u>(1,050,677)</u>	<u>8,840,953</u>	<u>7,888,095</u>	<u>8,452,987</u>

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

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(207,892)	93,554
<b>Adjustment for:</b>		
Depreciation charges	157,660	123,055
Increase in stocks	(244)	(911)
Decrease in debtors	44,341	4,343
(Decrease)/increase in creditors	(116,891)	27,116
FRS 102 pension adjustment	42,000	42,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(81,026)</u>	<u>289,157</u>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	127,285	241,236
<b>Total</b>	<u>127,285</u>	<u>241,236</u>

**22. 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 Royal Borough of Kingston Upon Thames. 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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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. 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 £120,480 (2015 - £162,243).

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](http://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 £112,000 (2015 - £115,000), of which employer's contributions totalled £92,000 (2015 - £93,000) and employees' contributions totalled

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**22. PENSION COMMITMENTS (continued)**

£20,000 (2015 - £22,000). The agreed contribution rates for future years are 26.0% for employers and 5.5.% to 7.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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	22.5	22.5
Females	24.7	24.7
Retiring in 20 years		
Males	24.6	24.6
Females	27.0	27.0

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	589,000	423,000
Bonds	211,000	151,000
Property	34,000	24,000
Cash	8,000	6,000
Total market value of assets	<u>842,000</u>	<u>604,000</u>

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)	(110,000)	(113,000)
Net interest cost	(24,000)	(11,000)
Total	<u>(134,000)</u>	<u>(124,000)</u>

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**22. PENSION COMMITMENTS (continued)**

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

	2016 £	2015 £
Opening defined benefit obligation	1,243,000	1,063,000
Current service cost	110,000	113,000
Interest cost	48,000	42,000
Contributions by employees	20,000	22,000
Actuarial losses	357,000	10,000
Changes in financial assumptions	114,000	1,000
Benefits paid	(12,000)	(8,000)
	<u>1,880,000</u>	<u>1,243,000</u>
Closing defined benefit obligation	<u>1,880,000</u>	<u>1,243,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	604,000	476,000
Return on plan assets (excluding net interest on the net defined pension liability)	114,000	1,000
Interest income	24,000	20,000
Contributions by employer	92,000	93,000
Contributions by employees	20,000	22,000
Benefits paid	(12,000)	(8,000)
	<u>842,000</u>	<u>604,000</u>
Closing fair value of scheme assets	<u>842,000</u>	<u>604,000</u>

**23. 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.

**24. OPERATING LEASE COMMITMENTS**

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

	2016 £	2015 £
<b>Amounts payable:</b>		
Within 1 year	1,559	1,559
Between 1 and 5 years	780	2,339
	<u>2,339</u>	<u>3,898</u>
Total	<u>2,339</u>	<u>3,898</u>

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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 10 above for trustees' remuneration and expenses.

The academy trust company occupies land (including buildings) which are owned by its Trustees who are the Archdiocese 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 Archdiocese of Southwark (2015: £nil). There were no balances owing to/from the Archdiocese of Southwark at the 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	FRS 102 (as restated)
Total Income		£2,312,433	£NIL	£2,312,433
Total Expenditure	1	£2,208,879	£10,000	£2,218,879
Actuarial gains and (losses) on defined benefit schemes	1	(£20,000)	£10,000	(£10,000)

**NOTES TO RECONCILIATION**

**1. Local Government Pension Scheme**

In the prior year, there were actuarial losses recognised on the scheme of £20,000. Under FRS 102, these part of actuarial losses have been reclassified and shown as follows:-

An increase in support staff pension costs of £1,000;

An increase in pension interest cost of £9,000 shown as part of support costs