

Registrar's Copy

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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CATALYST ACADEMIES TRUST
(A company limited by guarantee)

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CATALYST ACADEMIES TRUST
(A company limited by guarantee)

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

| | |
|--|--|
| Members | Mr K Williams Mr D Walters Mrs L Tyler |
| Trustees | Mr K Williams Mr T Parfett, Accounting Officer from 01/12/2016 (appointed 1 January 2016) Mrs L Tyler, Chair Mr T Drakes Mrs M Wright, Executive Director (resigned 31 December 2015) Mrs K Regan Mr D Walters (appointed 22 March 2016) |
| Company registered number | 08407989 |
| Company name | Catalyst Academies Trust |
| Principal and registered office | Dilkes Academy Garron Lane South Ockendon Essex RM15 5JQ |
| Senior management team | T Parfett, Headteacher Quarry Hill S Walker, Headteacher Benyon |
| Independent auditors | MWS Chartered Accountants Kingsridge House 601 London Road Westcliff-on-Sea Essex SS0 9PE |
| Bankers | HSBC Bank PLC 99 High Street Chelmsford Essex CM1 1EQ |

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Catalyst Academies Trust (the Academy) for the year ended 31 August 2016. The Trustees confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2015.

Structure, governance and management

a. CONSTITUTION

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

The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Catalyst Academies Trust are also the directors of the charitable company for the purpose of company law. The company was incorporated on 18th February 2013. The company registration number is 08407989.

The Governors act as the Trustees for the charitable activities of Catalyst Academies Trust and are also the Directors of the charitable company for the purposes of company law.

The charitable company is known as Catalyst Academies Trust.

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

The principal activity of the Academy Trust is to advance, for the public benefit, education in Essex and surrounding areas by maintaining, managing and developing a broad and balanced curriculum.

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)
FOR THE YEAR ENDED 31 AUGUST 2016

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The overseeing Board of 5 Directors and 1 Executive Director were appointed by the Academy sponsor Dilkes Academy in accordance with the Articles of Association. Future appointments will be made at the discretion of the existing members.

The Local Governing Bodies Governor recruitment is through a combination of approaches, one being the co option of those with necessary skills and from parents of children at the school to those with an interest in the school community. Nominations for Governors will be requested by a specific date. These nominations must include the reasons why the nominee wishes to become a Governor and the attributes they can bring to the Governing Body. These nominations will be considered by the Board of the Academy Trust who will decide the successful candidate.

If a Parent Governor vacancy becomes available then information is circulated to all school parent/carers.

Prospective Governors can then be nominated and seconded. If more than one applicant applies, voting papers are sent out. Staff Governor elections will follow a similar procedure.

The Chair and Vice Chair are elected to the position annually.

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

The Trust provides all new Governors with a comprehensive induction package covering a comprehensive range of issues and topics. This is to ensure they gain a better understanding of the role and responsibilities of being a Trust Governor so they can fulfil their role with confidence.

The Governing Body is committed to providing training for Governors specific to their roles and the requirements of the Academy Trust. The Academy Trust also purchases training from appropriate bodies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

e. ORGANISATIONAL STRUCTURE

Catalyst Academies Trust has effectively recruited new staff to ensure that there is the capacity to coordinate the support plans that the sponsored academies require. This extra capacity has meant that the Trust has been able to continue offer this assistance that academies need on an ongoing basis.

The appointment of an Executive Director has meant that there is clear strategic direction for the Headteachers of the two sponsored academies. They set targets and directly line manage both schools to achieve the high expectations that Catalyst Academies Trust expects.

The facilities that were developed have created an effective base of operations for the Catalyst Academies Trust team. This in turn has helped in increasing capacity as the resourcing, space and staffing can be focused on academy sponsorship more effectively.

The two additional Catalyst posts not only allow the trust to effectively assist with the conversion of the sponsored schools but also to ensure continued support for existing schools:

The Operations Director has not only proved essential in the conversion process but has also proved invaluable in giving clear guidance on a wide variety of school systems, governance and compliance issues as well as bursary support.

The continued value that is added by the Communications Manager has been pivotal in the branding of Catalyst and the two sponsored academies, co ordinating web design and school communications. They have been auditing the effectiveness of school systems and action planning what can be done to improve things further. This has also meant that there are clear channels for both academies and Catalyst to communicate.

Catalyst staff have worked to maintain the strength of the brand effectively, through good communications, strengthening the ties between the three schools and clearly demonstrating Catalyst's commitment to high standards and to the wider community.

The team have successfully co ordinated shared learning events between the three academies and these have proven very successful and impacted positively on all stakeholders. The first Academy has already made good progress with outcomes for pupils improving rapidly and the second Academy has started to make accelerated progress. Future events are being established to promote and build on the success so far and to strengthen the learning community within Catalyst.

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Catalyst Academies Trust is connected to it's sponsor Academy Dilkes Academy. Transactions between Catalyst Academies Trust and Dilkes Academy are disclosed in note 27 to the Financial Statements.

g. TRUSTEES' INDEMNITIES

The Academy through its Articles has indemnified its Governors to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Governors.

Objectives and Activities

a. OBJECTS AND AIMS

Catalyst Academies Trust is an organisation that was established to effectively coordinate and deliver support programmes for sponsored academies. All staff feel that it is their moral duty to support other schools in providing high quality, teaching and learning experiences and effectively uses Dilkes Academy, a school which is rated as outstanding by Ofsted and designated as a Teaching School, to deliver its programmes.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

b. PUBLIC BENEFIT

The Governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Achievements and performance

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

a. KEY FINANCIAL PERFORMANCE INDICATORS

Quarry Hill Academy Phase Data Summary 2016

EYFS

| Prime | | | | | Specific | | | | | All | | | | | GLD | | | | |
|-------|-----|-----|-----|-----|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Nat* | 13 | 14 | 15 | 16 | Nat* | 13 | 14 | 15 | 16 | Nat | 13 | 14 | 15 | 16 | Nat | 13 | 14 | 15 | 16 |
| 79% | 64% | 70% | 82% | 73% | 73% | 46% | 55% | 77% | 70% | 58% | 46% | 51% | 77% | 70% | 66% | 51% | 51% | 80% | 70% |

*No National data LA used for comparison

KS1

| Reading | ARE | | AGD | |
|------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 81% | 77% | 6% | 0% |

| Writing | ARE | | AGD | |
|------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 76% | 61.5% | 3.8% | 0% |

| Maths | ARE | | AGD | |
|------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 80% | 69% | 3.8% | 0% |

ARE – Age Related Expectations and AGD – At Greater Depth as outlined in the interim assessment framework

Phonics

| Year 1 2015/16 | Total Pass 2015/16 | Y1 2014/15 | Total Pass 2014/15 |
|----------------|--------------------|------------|--------------------|
| 85% | 96% | 76% | 89% |

Phonics data refers to % of pupils at or above age expectations

Year 6

| Reading | Previous Level 4+ | | ARE | | AGD | |
|----------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment (%) | 98% | 96% | 97% | 92% | 24% | 8.3% |

| Writing | Previous Level 4+ | | ARE | | AGD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 98% | 100% | 93% | 88% | 17% | 12.5% |

| Maths | Previous Level 4+ | | ARE | | AGD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 100% | 100% | 98% | 92% | 34% | 8.3% |

| GPS | Previous Level 4+ | | ARE | | AGD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 93% | 87.5% | 93% | 83% | 27% | 4% |

ARE – Age Related Expectations and AGD – At Greater Depth as outlined in the interim assessment framework

Attendance

Attendance for the school was 96.4% in 2015-2016

The success of the school has resulted in the school being almost full in all but the bulge year groups. These are quickly being filled by local pupils and with two large housing developments being planned it could result in a possible strain on school places over the next few years.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

| Year Group | R | Y1 | Y2 | Y3 | Y4 | Y5 | Y6 |
|------------|----|----|----|----|----|----|----|
| | 30 | 30 | 30 | 29 | 30 | 30 | 29 |
| | 29 | 30 | 30 | 29 | 30 | 30 | 30 |
| | - | - | - | 30 | 30 | 30 | - |
| Totals | 59 | 60 | 60 | 88 | 90 | 90 | 59 |

Outcomes for pupils: Outstanding

Attainment and progress at KS2 exceeded national expectations in all subjects with progress from KS1 to KS2 being outstanding and in the top 10% of schools nationally.

The proportion of pupils meeting age expectations exceeded national for all subjects with a combined 90% compared to 57% nationally.

At KS2 we have set challenging targets and planned appropriate interventions. The progress of all groups was at least good.

The current gap between disadvantaged pupils and others nationally is narrowing has narrowed considerably for the children reaching age expectations but further intervention is needed for higher attaining pupils. Their progress is also much stronger than previous years.

At KS1 the proportion of pupils meeting age expectations was broadly average for every subject.

There was a marked improvement in the number of children meeting and exceeding National expectations in the phonic screening tests. Pupils met or exceeded national averages in Year 1 and Year 2.

EYFS assessment and quality of teaching has improved and for the cohort of pupils 70% of pupils achieving GLD by the end of the year was very good indeed.

The progress of all year groups was at least in line last year and the proportion of pupils working at ARE increasing year on year.

Quality of teaching, learning and assessment: Outstanding

All teaching over time is judged to be consistently good or better. As part of our on-going review process all Catalyst Achievement leads review marking, planning and standards in every year group.

The robust marking and feedback policy ensures that all learners know what next steps are needed to improve their learning. Pupil voice questionnaires evidence a strong desire to learn.

A structured approach to homework ensures challenge and embedded knowledge and skills in Maths and English.

The vast majority of parents agreed that they receive valuable information about their child's progress and how to support their child at home. The school's interim assessment effectively tracks progress of all learners, analysing gaps and informing planning.

Personal development, behaviour and welfare: Outstanding

Behaviour and safety are exemplary. Pupils are polite to each other and relationships with staff are excellent. School promotes and celebrates our core values which prepares them for life in modern Britain.

Pupils are proud of the school and want to celebrate success for all learners as well as plan charitable events for the wider community. Weekly 'Big Question' assemblies encourage debate and reasoning.

The vast majority of pupils and parents believe that behaviour is good.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Attendance is improving year on year due to vigorous absence procedures.

Effective pastoral notes are kept for pupils and a pastoral team regularly review the provision and chronology of concerns. All pupils feel safe in school and understand exactly what to do if they feel uncomfortable in any situation.

School engages with a number of external agencies promoting healthy lifestyles and has three PE sessions a week. As well as weekly guidance on the newsletter, website and Twitter, the ICT lead holds parent e-safety workshops.

A culture of vigilance is promoted where timely and appropriate safeguarding action is taken

Effectiveness of leadership and management: Outstanding

Leaders and governors have created a culture that enables all to excel. An unwavering commitment to high expectations for conduct ensures exemplary relationships between all.

The Headteacher has a firm understanding of teaching and learning and has established effective working relationships with the SLT consistently communicating high expectations and ambition.

The Head of School is an outstanding practitioner who is extremely effective in developing teachers. She is also an SLE for English and all Quarry Hill Academy staff have access to her expertise.

Under the quality leadership of the SENCO, all teachers have effective strategies to assist meeting the needs of pupils in class. Achievement of pupils with DSEN has rapidly improved.

Pupil premium funding has enabled targeted interventions, resources and staffing resulting in accelerated progress for all pupils and exceeding national averages.

The Governor's Catalyst toolkit systematically challenges senior leaders. The Governors receive training and regularly visit the school to review safeguarding procedures.

The school's distributed leadership model assists the routine assessment and evaluation process ensuring appropriate and stimulating coverage of their subject and reviews this in terms of pupil performance, coverage and impact.

Our research into 'Growth Mindset', which was part of the Teaching School's research programme, created an embedded culture of high expectations and provided HIT strategies to add to our own Quarry Hill Academy 'Best Methods Manual'.

The Headteacher and Head of School actively coach and mentor staff both in the Catalyst group and within the Local Authority. They are also actively involved in supporting the LA in delivering outcomes established in light of the Thurrock Education Commission report.

Effectiveness of the Early Years provision: the quality and standards: Good

Each of the seven areas of learning are planned with interesting and challenging experiences and differentiated. Half termly interim assessments, which are precise and sharply focused, are used effectively to plan next steps for the children.

Regular observations show that the quality of teaching is improving rapidly.

Parents contribute to initial assessments of a child's starting point with the child's class teacher. This is then followed up by a visit where parents bring their child to explore the setting and experience it first-hand.

Staff complete a home visit for children new to the school in Nursery and Reception in order to strengthen links between home and school.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Weekly newsletters encourage parents/carers to share information about their child's learning.

It is clear from the results of the parent's questionnaire that children feel safe and enjoy coming to school.

EYFS assessment and quality of teaching has improved and for the cohort of pupils 70% of pupils achieving GLD by the end of the year was very good indeed. The transition process from Reception to Year 1 is robust.

Overall effectiveness: the quality of education provided in the school: Outstanding

Current levels of attainment look set to exceed those in 2016 which were significantly above national expectations due to the relentless drive for improved outcomes by the Headteacher, senior leaders and Governors.

In 2016, progress was outstanding and in the top 10% of schools nationally. Quarry Hill Academy is the highest performing primary school in Thurrock.

The proportion of pupils meeting age related expectations exceeded national by some margin for all subjects with a combined Reading, Writing and Maths reaching 90% compared to 57% nationally.

The progress of all year groups was at least in-line last year and the proportion of pupils working at ARE are increasing year on year.

Rigorous assessment means that every pupils' attainment and progress are closely scrutinised and appropriate resources allocated to maximise performance.

The progress and attainment of pupils with SEN and in receipt of pupil premium was above national expectations and they made outstanding progress.

Quality of teaching and learning is outstanding due to the rigorous monitoring, coaching and support plans that are put in place, utilising the expertise from the school and across the Trust.

Whilst the EYFS is currently judged to be good, we have a robust action plan in place to move this to outstanding by the end of the academic year.

Rapid progress and achievement in excellence is celebrated and promoted enabling children to become self-assured, independent learners who will thrive in modern day Britain.

Safeguarding is effective and the pastoral support system enables the school to monitor, track and anticipate concerns through detailed chronological logs and proactively seek support for both families and pupils concerned.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Benyon Primary School Phase Data Summary 2016

EYFS

| Prime | | | | | Specific | | | | | All | | | | | GLD | | | | |
|-------|----|----|----|-----|----------|----|----|----|-----|------|----|----|----|-----|------|----|----|-----|-----|
| Nat* | 13 | 14 | 15 | 16 | Nat* | 13 | 14 | 15 | 16 | Nat* | 13 | 14 | 15 | 16 | Nat* | 13 | 14 | 15 | 16 |
| 79% | 67 | 71 | 72 | 87% | 73% | 44 | 53 | 72 | 73% | 58% | 41 | 54 | 72 | 73% | 55% | 44 | 54 | 72% | 75% |

*No National data LA used for comparison when produced

KS1

| Reading | ARE | | GD | |
|------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 81% | 67% | 11% | 0% |

| Writing | ARE | | GD | |
|------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 74% | 50% | 7% | 17% |

| Maths | ARE | | GD | |
|------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 74% | 67% | 11% | 17% |

ARE – Age Related Expectations and GD – At Greater Depth as outlined in the interim assessment framework

Phonics

| Year 1: 2015/16 | Total Pass 2015/16 | Y1: 2014/15 | Total Pass 2014/15 |
|-----------------|--------------------|-------------|--------------------|
| 86% | 82% | 77% | 69% |

Phonics data refers to % of pupils at or above age expectations

KS2

| Reading | Previous Level 4+ | | ARE | | GD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 79% | 71% | 48% | 36% | 0% | 0% |

| Writing | Previous Level 4+ | | ARE | | GD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 76% | 64% | 73% | 50% | 0% | 0% |

| Maths | Previous Level 4+ | | ARE | | GD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 79% | 57% | 59% | 42% | 0% | 0% |

| GPS | Previous Level 4+ | | ARE | | GD | |
|------------|-------------------|---------------|--------|---------------|--------|---------------|
| | Cohort | Disadvantaged | Cohort | Disadvantaged | Cohort | Disadvantaged |
| Attainment | 72% | 43% | 55% | 36% | 0% | 0% |

ARE – Age Related Expectations and GD – At Greater Depth as outlined in the interim assessment framework

Attendance

Attendance for the school was at 93.8% for 2015-2016. In 2014-2015 it was 93.2%. The relatively small cohort sizes and the larger than average proportion of traveller children contribute to the lower than average attendance.

The success of the school has resulted in the school being almost full with the exception of year 4. However Year 6 is oversubscribed due to the pupil's admission number being 38 before conversion. A large housing development is in the process of being completed within catchment which could result in a possible strain on school places in future years.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

| Year Group | R | Y1 | Y2 | Y3 | Y4 | Y5 | Y6 |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 30 | 30 | 29 | 28 | 20 | 30 | 32 |
| Totals | 30 | 30 | 29 | 28 | 20 | 30 | 32 |

Outcomes for pupils: Requires Improvement

The school is in the process of moving from Assertive Mentoring to the Catalyst assessment system after its success in other Trust schools and the need to raise attainment at KS2 rapidly.

Pupils at the end of EYFS meet or exceed expectations for GLD with 76% compared to the 66% of pupils nationally.

Phonics screening check (June 2016) on an upward 4 year trend – 86%.

At KS1 (July 2016) attainment is strong with the proportion of pupils meeting age expectations being greater than this nationally for every subject. Reading: 81%, Writing: 74% and Maths: 74%.

The school met floor standard this year 2015-2016 as progress from KS1 to KS2 was higher than that prescribed by the Department for Education.

Attainment in KS2 will remain a key focus for the school in 2016-17 as the outcomes need to improve to get a larger proportion of pupils meeting age expectations.

Writing was above national predictions but the other subjects are significantly below local and national outcomes. The combined Reading, Writing and Maths figure was 41% compared to the 57% of pupils nationally.

Quality of teaching, learning and assessment: Requires Improvement

The quality of teaching over time was judged to be good at the end of the academic year. However the outcomes for all learners do not reflect this. Therefore the school is now implementing the successful Catalyst assessment system to effectively monitor and target groups or individuals for effective intervention.

Further work on the Benyon Best Methods Manual will rapidly improve pupils' engagement and lead to the accelerated progress of pupils through a set repertoire of teaching methods that teachers engage regularly with.

Through regular one to one meetings with their class teacher, pupils are supported to identify personal targets. This will also be used to set challenging targets for all learners.

Feedback from teachers verbally and through marking enables some pupils to improve the quality of their work. The teachers use marking codes that give pupils instant feedback on how to improve their work.

Personal development, behaviour and welfare: Good

The conduct is good. Pupils are generally polite and well mannered, showing respect for themselves and others.

The vast majority of pupils have a positive attitude towards their learning. Attendance at 93.8% is significantly below the national average.

The pupils' personal development and welfare are good. The pupils are well cared for, feel safe and are taught how to look after themselves in a variety of situations, including online and road safety.

The Pupil Employment Scheme provides opportunities for pupils to take responsibility and develop their leadership skills.

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TRUSTEES' REPORT (continued)
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Safeguarding is effective.

Effectiveness of leadership and management: Good

Headteacher and Deputy Headteacher work well as a team sharing a vision for the future of the school.

Self-evaluation enables priorities to be identified and actions planned to raise quality of teaching, learning, assessment and outcomes for pupils.

Leaders have a clear role involving monitoring the quality of teaching, learning, assessment and achievement in their areas and supporting their colleagues in improving their practice.

Effective use of the sports funding is made to support the vision for pupils to lead healthy lives.

Effective partnerships contribute to the school's improved performance and support the work of colleagues in other schools.

Staff and governors are committed to ensuring equality of opportunity and raising achievement.

The curriculum is engaging for all pupils, building on their interests and broadening their experiences.

The school is committed to promoting fundamental British Values and takes every opportunity to do so.

Effectiveness of the Early Years provision: the quality and standards: Good

Nursery progress - the proportion of children reaching a GLD in 2016 rose from 67% on-entry to 76% by the summer term.

Reception progress - the proportion of children meeting or exceeding ARE in the majority of areas rose from 38% on-entry to 76% by the summer term.

The quality of teaching over time is consistently good in the nursery and responsive to children's needs. It is not consistent in Reception.

Strong leadership by the Deputy Headteacher ensures that all staff are committed to early intervention, child initiated learning and individualised provision that is responsive to the needs of each child.

Personal development, behaviour and welfare are good. Children's good behaviour and independence within the environment show that they feel safe.

Provision across all areas of learning is well planned and based on regular, accurate assessments of children's achievements so every child undertakes challenging activities.

Overall effectiveness: the quality of education provided in the school: Good

Ofsted judged the school to be good overall and good in all five categories in March 2015.

The school's aspirational school improvement plan will ensure good progress continues to be made focusing on the following priorities:

1. Further increase the proportion of teaching that has an outstanding impact on learning over time
2. Accelerate pupils' progress in Writing and Reading
3. Accelerate pupils' progress in Maths particularly at Key Stage 2
4. Ensure all children develop high quality skills and knowledge across a broad, balanced and stimulating curriculum
5. Further improve attendance

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TRUSTEES' REPORT (continued)
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b. REVIEW OF ACTIVITIES

There has already been a marked impact on the first sponsored academy, which opened in April 2013, where the proportion of teaching has now moved from satisfactory to good and standards across the school have been steadily rising and outcomes are closing the gap between national expectations for attainment. The school also received a Good Ofsted Rating in March 2015. This impact can be directly attributed to support that the school has received from Catalyst Academies Trust.

The second Academy which opened in July 2013 has made rapid and sustained progress quality of teaching. The school received an Outstanding Ofsted rating in June 2016. The KS2 results have exceeded national for the past two years. The school has been actively involved in all joint professional learning days with the other academies. Attainment is expected to be maintained this year. In year progress is above national expectations for all year groups.

c. GOING CONCERN

After making appropriate enquiries, the Board of Trustees 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 Accounting Policies.

Financial review

a. OVERVIEW

The Catalyst Academies Trust started operating on 18 February 2013. The majority of the Trust's income is derived from the Education Funding Agency (EFA), (formerly the Young People's Learning Agency). The income is in the form of recurrent grants, of which the use is restricted to particular purposes. These grants and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy Trust also receives grants for capital expenditure from the EFA and Local Authority; all these grants are shown as restricted income.

Funding has continued to support our key objective of raising teaching and learning standards, with a particular focus on the development of literacy skills through the provision of extra teaching and support staff.

b. PRINCIPAL RISKS AND UNCERTAINTIES

The Academy Trust has a comprehensive Risk Register which is reviewed regularly. Falling pupil numbers would impact on funding streams for the Trust, making a deficit budget a possibility and affecting long term viability. Consequently pupil forecasts are monitored carefully and appropriate responsive action is taken

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

c. RESERVES POLICY

The Board of the Academy Trust regularly monitors the reserves to ensure that sufficient funds are maintained to meet anticipated future needs whilst avoiding long term accumulation of excessive sums. At 31st August 2016, the Academy had free reserves of £159,744.

The Board of the Academy Trust maintains a prudent level of reserves in line with their policy to spend funding received on the pupils in the Trust at that time, except where a specific project required funding to be built up over several years.

Benyon Primary School: It is the Board's intention to utilise reserves for each school in line with their School Development Plan. We plan to use the reserves at Benyon Primary for a number of premises maintenance projects - corridor refurbishment, including lighting and school display spaces. The school also plans to refurbish the school Library and purchase intervention resources.

Quarry Hill Academy: The Board plans to develop the reception and office areas on the Bradleigh Avenue site to create a larger atrium for parents and visitors, whilst extending the staffroom and office areas. There are also plans to refurbish the playground areas in Bradleigh and Dell, replacing all existing worn playground markings and worn playground fencing particularly on the Dell Road Site.

The schools are both making applications for CIF bids and an appropriate amount will also be contributed to those projects if successful..

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

a. FUTURE DEVELOPMENTS

To improve the quality and consistency of effective teaching (at least 90% graded good and 25% outstanding) across the trust through a focus on:

- High levels of pupil engagement in learning
- High levels of cognitive challenge
- Excellent use of assessment to support learning within lessons through effective questioning & feedback
- Well differentiated pupil tasks that enable all pupils to demonstrate independence and rapid progress in their learning.

To raise standards across the Trust through the use of effective assessment and monitoring systems with a focus on the performance of all groups of learners.

Review and refine the curriculum to ensure that it promotes high expectations and engaging, memorable experiences for every child.

Raise achievement levels in Maths across the trust, through enhancing provision within, across and beyond the taught curriculum.

To improve the progress and attainment rates of SEN pupils and those in receipt of pupil premium through programmes and early identification through assessment.

Development of roles of middle leaders through rigorous performance management to set consistent high expectations of all stakeholders and develop understanding of accountability.

Through effective working partnerships across the trust increase the impact and effectiveness of all assessment tracking systems for year groups / subject data and intervening as required.

Future Developments

- To expand the Trust to five schools to build capacity and centralise functions
- Continue to implement the Peer Teaching Enhancement programme to share good practice across the schools and improve quality of teaching in both schools
- To assist in matching continuing professional development to individual staff need through 1 to 1 coaching, mentoring, training and support
- Continue to develop the cross school year group interim assessment data to be analysed and moderated each half term during Catalyst Professional Learning Days then used to plan appropriate provision and intervention
- Support the development of JPD sessions in all Catalyst Academies Trust schools, forming action research groups who will research effective high impact strategies.
- Review the leadership capability each half term, identify targets and plan appropriate support.
- Develop Governors' capability in holding leaders to account in both schools when conducting audit visits each term that impact on the quality of provision
- Provide the support, resources and training that both schools need to maintain at least a good judgement in their next Ofsted inspection.

CATALYST ACADEMIES TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

b. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Board of Trustees abides by the requirements of all national and local agreements with particular reference to:

- School Teachers' Pay and Conditions Document, including due regard to relevant guidance documents and accompanying circulars
- Conditions of Employment for School Teachers in England and Wales
- Thurrock Council Conditions of Service

Employees on the leadership spine play a critical role in the life of the school. Their roles lead in enhancing standards of teaching and learning throughout the school. They inspire confidence in those around them and work with others to create a shared strategic vision which motivates pupils and staff. They have the confidence and ability to make management and organisational decisions.

The Board of Trustees confirms the membership of the school's Leadership team and salary levels are determined by the Pay Committee, taking into account the respective levels of responsibilities, recruitment and retention issues, internal differentials through the school and affordability.

A successful performance management appraisal for teaching staff, as prescribed by the appraisal regulations, involves a performance appraisal management process of:-

- Assessment against the relevant standards
- Performance objectives
- Classroom observation (where relevant)
- Other evidence

The Board of Trustees ensures that suitable arrangements are in place to assess the total contributions of all support and use the assessment to determine annual pay decisions.

DISCLOSURE OF INFORMATION TO AUDITORS

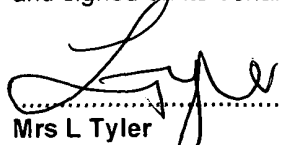
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

AUDITORS

The auditors, MWS, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by order of the Board of Trustees as the company directors, on 1 December 2016 and signed on its behalf by:


.....
Mrs L Tyler
Chair of Trustees

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the T Parfett, 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 Catalyst Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

| Trustee | Meetings attended | Out of a possible |
|----------------------------------|-------------------|-------------------|
| Mr K Williams | 2 | 3 |
| Mr T Parfett, Accounting Officer | 2 | 2 |
| Mrs L Tyler, Chair | 3 | 3 |
| Mr T Drakes | 3 | 3 |
| Mrs M Wright, Executive Director | 0 | 1 |
| Mrs K Regan | 3 | 3 |
| Mr D Walters | 1 | 1 |

At every meeting the Governors monitor and challenge the performance of the school against targets and measured performance. The Governors are constantly looking to improve the way that the school performance can be monitored to help the school improve.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the T Parfett 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:

Over the last financial period, Catalyst Academies Trust has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to be maintained.

The Trust has focussed on targeted improvement linked to the School Development Plan of Benyon Primary School and Quarry Hill Academy to ensure maximum impact on outcomes for pupils in these key areas. This has included ensuring that each Academy is delivering the new curriculum. The Trust has focussed on improving the quality of writing across each Academy by ensuring teachers set challenging targets for pupils in English, by ensuring teachers provide feedback to pupils that helps move their learning forward and by involving parents and children more in their education through participation in curriculum workshops. The Trust has continued to keep the staffing structure at both academies under review. This has led to a rationalisation of senior leadership roles with some amalgamation of roles to effect greater efficiency.

The Trust has begun to move towards working collaboratively with the partner schools to look at economies of scale when making purchases. Already, significant savings have been made in the areas of insurance, legal support and HR services.

Financial procedures have been tightened so that there is greater accountability and clarity of role. The range of

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

activities available to parents outside normal school hours continues to develop at all academies and they benefit significantly from the income generated by the Sports & Arts Club where all academies offer a range of after school activities. The Trust has successfully implemented free school meals for all Key Stage 1 children and the kitchens now provides approximately 450 nutritional meals a day with the income from this supporting the overall work. Each School within the Trust has produced a detailed financial analysis of how the pupil premium funding was spent and the impact of the funding for individual pupils. Similarly, funding for catch up groups and booster groups for pupils is calculated in the same way.

The Trust has internal controls in place to ensure strict financial procedures are followed. A Responsible Officer is appointed to make independent checks for each school within the Trust. The Local Governing Body and the Board of Directors receives regular budget reports which are analysed to identify areas of overspend and underspend. Regular monitoring ensures the best use of resources and prevents waste. Bank balances are carefully monitored and an interest bearing account is used for short term investment. The Trust purchases a commercial combined insurance package and also a staff absence insurance to ensure it has adequate cover to manage risks.

Benyon Primary School was successful in bidding for funds for upgrades to the roof (phase 2). This work was completed in July 2016. We will be submitting new CIF bid applications for Benyon Primary School and Quarry Hill Academy in the 2016/17 round.

Regular maintenance and refurbishment to the fabric of the buildings is ensuring that an attractive and stimulating environment is provided for all pupils. Governance provided strong challenge over such purchases and all contracts and services for the Trust are always appraised and approved to ensure value for money. Over some projects the Trust has chosen an option that was not the cheapest but was the most cost effective over time. The Trust has a policy of regularly applying for grants to improve the fabric of all its buildings and this will continue next year for both schools.

There is a constant desire within Catalyst Academies Trust to improve through better systems that lead to better outcomes for pupils. Value for money is a key part of ensuring we are able to do this.

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 Catalyst Academies Trust 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'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 Local Governing Bodies of reports which indicate financial performance against

CATALYST ACADEMIES TRUST
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GOVERNANCE STATEMENT (continued)

the forecasts and of major purchase plans, capital works and expenditure programmes;

- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Essex ICE Service, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

There were no material control or other issues reported by the RO to date.

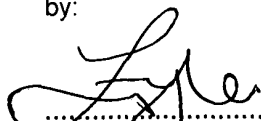
REVIEW OF EFFECTIVENESS

As Accounting Officer, the T Parfett has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 1 December 2016 and signed on their behalf, by:



Mrs L Tyler
Chair of Trustees



Mr T Parfett
Accounting Officer

CATALYST ACADEMIES TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr T Parfett
Accounting Officer

Date: 1 December 2016

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

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

The Trustees (who act as governors of Catalyst Academies Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction 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:

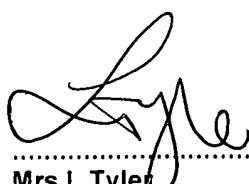
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on 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 1 December 2016 and signed on its behalf by:



.....
Mrs L Tyler
Chair of Trustees

CATALYST ACADEMIES TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CATALYST ACADEMIES TRUST**

We have audited the financial statements of Catalyst Academies Trust 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.

BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS

With respect to Local Authority gifted assets, having a carrying amount of £1,284,392, the audit evidence available to us was limited because the Local Authority could not provide third party documentation to support the cost of a building gifted to the Academy Trust.

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CATALYST ACADEMIES TRUST**

QUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion, except for the possible effects of the matters described in the Basis for Qualified opinion paragraph, 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.

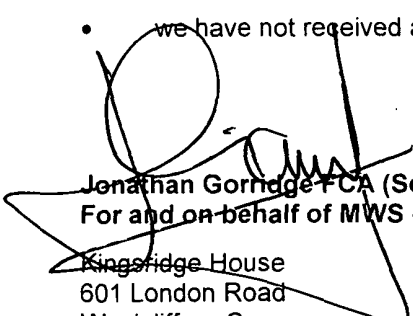
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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



Jonathan Gorridge FCA (Senior Statutory Auditor)
For and on behalf of MWS (Statutory Auditor)

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE
1 December 2016

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO CATALYST
ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23/05/2013 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 Catalyst Academies Trust 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 Catalyst Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Catalyst Academies Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Catalyst Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF CATALYST ACADEMIES TRUST'S ACCOUNTING OFFICER AND
THE REPORTING AUDITORS**

The Accounting Officer is responsible, under the requirements of Catalyst Academies Trust's funding agreement with the Secretary of State for Education dated 26 March 2013, 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.

Based upon our risk assessment of material non-compliance, we carried out detailed testing of the specific income streams from the EFA, and the related expenditure streams, to which specific conditions had been attached.

We evaluated the control environment of the Academy Trust, extending the procedures required for the financial statements to include regularity. We tested a sample of the specific control activities over regularity of particular activities. We confirmed that the Academy Trust had not entered into any borrowing arrangements. We carried out substantive testing of fixed assets to confirm that no sales of any assets had taken place. We reviewed cash payments made by the school for any unusual transactions and verified the nature of said transactions. We reviewed the list of suppliers to consider whether any supplies were made by related parties connected to the Principal, Finance Manager or any Governor. We reviewed the nature and terms of any lettings to ensure that any lettings made to any related parties were made at the normal third party rates and not on any favourable

CATALYST ACADEMIES TRUST
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**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO CATALYST
ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

terms.

CONCLUSION

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


Reporting Accountant

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

1 December 2016

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

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

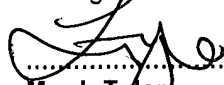
| | Note | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--|------|----------------------------------|---|------------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | | |
| Donations and capital grants | 2 | 7,500 | 339,126 | 44,441 | 391,067 | 984,282 |
| Charitable activities | 5 | 3,728,619 | - | - | 3,728,619 | 3,879,997 |
| Other trading activities | 3 | - | - | 78,552 | 78,552 | 72,060 |
| Investments | 4 | - | - | 153 | 153 | 55 |
| TOTAL INCOME | | 3,736,119 | 339,126 | 123,146 | 4,198,391 | 4,936,394 |
| EXPENDITURE ON: | | | | | | |
| Charitable activities | | 3,657,164 | 677,331 | 76,312 | 4,410,807 | 4,347,122 |
| TOTAL EXPENDITURE | 7 | 3,657,164 | 677,331 | 76,312 | 4,410,807 | 4,347,122 |
| NET INCOME / (EXPENDITURE) BEFORE TRANSFERS | | | | | | |
| Transfers between Funds | 19 | 78,955 (65,811) | (338,205) 65,811 | 46,834 - | (212,416) - | 589,272 - |
| NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES | | | | | | |
| | | 13,144 | (272,394) | 46,834 | (212,416) | 589,272 |
| Actuarial losses on defined benefit pension schemes | 24 | (1,137,000) | - | - | (1,137,000) | (1,000) |
| NET MOVEMENT IN FUNDS | | (1,123,856) | (272,394) | 46,834 | (1,349,416) | 588,272 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | (718,205) | 7,153,084 | 112,910 | 6,547,789 | 5,959,517 |
| TOTAL FUNDS CARRIED FORWARD | | (1,842,061) | 6,880,690 | 159,744 | 5,198,373 | 6,547,789 |

CATALYST ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08407989

BALANCE SHEET
AS AT 31 AUGUST 2016

| | Note | £ | 2016 £ | 2015 £ |
|--|------|--------------------|-------------------------|-------------------------|
| FIXED ASSETS | | | | |
| Tangible assets | 15 | | 6,887,182 | 6,974,301 |
| CURRENT ASSETS | | | | |
| Debtors | 16 | 81,888 | 127,044 | |
| Cash at bank and in hand | | 838,049 | 1,057,435 | |
| | | <u>919,937</u> | <u>1,184,479</u> | |
| CREDITORS: amounts falling due within one year | 17 | <u>(230,562)</u> | <u>(429,807)</u> | |
| NET CURRENT ASSETS | | | <u>689,375</u> | <u>754,672</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>7,576,557</u> | <u>7,728,973</u> |
| CREDITORS: amounts falling due after more than one year | 18 | | <u>(29,184)</u> | <u>(29,184)</u> |
| NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES | | | <u>7,547,373</u> | <u>7,699,789</u> |
| Defined benefit pension scheme liability | 24 | | <u>(2,349,000)</u> | <u>(1,152,000)</u> |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITIES | | | <u><u>5,198,373</u></u> | <u><u>6,547,789</u></u> |
| FUNDS OF THE ACADEMY | | | | |
| Restricted income funds: | | | | |
| Restricted income funds | 19 | 506,939 | 433,795 | |
| Restricted fixed asset funds | 19 | 6,880,690 | 7,153,084 | |
| Restricted income funds excluding pension liability | | <u>7,387,629</u> | <u>7,586,879</u> | |
| Pension reserve | | <u>(2,349,000)</u> | <u>(1,152,000)</u> | |
| Total restricted income funds | | | <u>5,038,629</u> | <u>6,434,879</u> |
| Unrestricted funds | 19 | | <u>159,744</u> | <u>112,910</u> |
| TOTAL FUNDS | | | <u><u>5,198,373</u></u> | <u><u>6,547,789</u></u> |

The financial statements were approved by the Trustees, and authorised for issue, on 1 December 2016 and are signed on their behalf, by:


.....
Mrs L Tyler
Chair of Trustees

The notes on pages 29 to 49 form part of these financial statements.

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

| | Note | 2016 £ | 2015 £ |
|--|------|-----------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 21 | <u>31,854</u> | <u>576,738</u> |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | (153) | (55) |
| Purchase of tangible fixed assets | | (590,213) | (971,425) |
| Capital grants from DfE/EFA | | 339,126 | 683,176 |
| Gifted asset | | - | 262,589 |
| Net cash used in investing activities | | <u>(251,240)</u> | <u>(25,715)</u> |
| Change in cash and cash equivalents in the year | | <u>(219,386)</u> | <u>551,023</u> |
| Cash and cash equivalents brought forward | | 1,057,435 | 506,412 |
| Cash and cash equivalents carried forward | 22 | <u><u>838,049</u></u> | <u><u>1,057,435</u></u> |

CATALYST ACADEMIES TRUST
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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.

Catalyst Academies Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

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

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

Reconciliations to previous UK GAAP for the comparative figures are included in note 30.

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.

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

CATALYST ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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.

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.

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

All resources expended are inclusive of irrecoverable VAT.

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.

CATALYST ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

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:

| | | |
|------------------------------|---|-----------------------------|
| Long-term leasehold property | - | Straight line over 50 years |
| Furniture and equipment | - | Straight line over 4 years |
| Computer equipment | - | Straight line over 3 years |

1.7 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.

1.8 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.

1.9 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

CATALYST ACADEMIES TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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.

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

CATALYST ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (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

1.15 Concessionary loans

As allowed per the Statement of Recommended Practice 2015 (FRS 102), it is the policy of the Academy to measure the loans at the amount received, with the carrying amount adjusted for any repayments and accrued interest (and adjusted if necessary to the settlement account if the loan or part of the loan is waived).

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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

It is considered that there are no critical areas of judgement other than the above.

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|------------------------------------|----------------------------------|---|------------------------------------|-----------------------------|-----------------------------|
| Educational trips and visits | - | - | 35,550 | 35,550 | 29,245 |
| Local Authority gifted assets | - | - | - | - | 262,589 |
| Donations - General funds | 7,500 | - | 8,891 | 16,391 | 12,557 |
| Capital grants | - | 339,126 | - | 339,126 | 651,271 |
| LA Capital grants | - | - | - | - | 28,620 |
| | <u>7,500</u> | <u>339,126</u> | <u>44,441</u> | <u>391,067</u> | <u>984,282</u> |
| Total donations and capital grants | <u>7,500</u> | <u>339,126</u> | <u>44,441</u> | <u>391,067</u> | <u>984,282</u> |

In 2015, of the total income from donations and capital grants, £38,517 was to unrestricted funds and £945,765 was to restricted funds

3. OTHER TRADING ACTIVITIES

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Hire of facilities | - | 706 | 706 | 3,553 |
| Catering income | - | 51,401 | 51,401 | 47,605 |
| School sales | - | - | - | 1,355 |
| Other income | - | 26,445 | 26,445 | 19,547 |
| | <u>-</u> | <u>78,552</u> | <u>78,552</u> | <u>72,060</u> |

In 2015, of the total income from other trading activities, £72,060 was to unrestricted funds and £ NIL was to restricted funds.

4. INVESTMENT INCOME

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|---------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Short term deposits | - | 153 | 153 | 55 |

In 2015, of the total investment income, £ 55 was to unrestricted funds and £ NIL was to restricted funds.

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| DfE/EFA grants | | | | |
| General Annual Grant (GAG) | 3,041,319 | - | 3,041,319 | 3,104,838 |
| Other DfE/EFA grants | 454,905 | - | 454,905 | 507,306 |
| | <u>3,496,224</u> | <u>-</u> | <u>3,496,224</u> | <u>3,612,144</u> |
| Other government grants | | | | |
| Local authority grants | 232,395 | - | 232,395 | 267,853 |
| | <u>232,395</u> | <u>-</u> | <u>232,395</u> | <u>267,853</u> |
| | <u>3,728,619</u> | <u>-</u> | <u>3,728,619</u> | <u>3,879,997</u> |

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £3,879,997 was to restricted funds.

6. SUPPORT COSTS

| | Educational Operations £ | Total 2016 £ | Total 2015 £ |
|---------------------------------------|--------------------------------|--------------------|--------------------|
| Net pension finance charge | 43,000 | 43,000 | 37,000 |
| Recruitment and support | 7,624 | 7,624 | 4,846 |
| Maintenance of premises and equipment | 106,835 | 106,835 | 89,460 |
| Cleaning | 30,986 | 30,986 | 35,569 |
| Rent & rates | 25,575 | 25,575 | 22,070 |
| Energy costs | 28,706 | 28,706 | 27,702 |
| Insurance | 80,533 | 80,533 | 68,252 |
| Security and transport | 18,927 | 18,927 | 7,251 |
| Catering | 141,389 | 141,389 | 150,894 |
| Bank interest and charges | 459 | 459 | 621 |
| Indirect staff costs | 1,889 | 1,889 | 5,556 |
| Legal and professional fees | 86,030 | 86,030 | 109,105 |
| Other support costs | 49,123 | 49,123 | 51,080 |
| Wages and salaries | 355,962 | 355,962 | 344,748 |
| National insurance | 20,197 | 20,197 | 16,347 |
| Pension cost | 122,757 | 122,757 | 131,365 |
| Depreciation | 677,331 | 677,331 | 623,659 |
| | <u>1,797,323</u> | <u>1,797,323</u> | <u>1,725,525</u> |

During the year ended 31 August 2016, the academy incurred the following Governance costs:
£13,780 (2015 - £14,000) included within the table above in respect of Educational Operations.

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

7. EXPENDITURE

| | Staff costs 2016 £ | Premises 2016 £ | Other costs 2016 £ | Total 2016 £ | Total 2015 £ |
|-----------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Educational Operatio: | | | | | |
| Direct costs | 2,246,227 | - | 367,257 | 2,613,484 | 2,621,597 |
| Support costs | 498,918 | 949,968 | 348,437 | 1,797,323 | 1,725,525 |
| | <u>2,745,145</u> | <u>949,968</u> | <u>715,694</u> | <u>4,410,807</u> | <u>4,347,122</u> |

In 2016, of the total expenditure, £76,312 (2015 £221,783) was to unrestricted funds and £4,334,495 (2015 £4,125,339) was to restricted funds.

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

| | 2016 £ | 2015 £ |
|--|--------------|--------------|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 677,332 | 623,659 |
| Auditors' remuneration - audit | 13,780 | 14,000 |
| Operating lease rentals | <u>7,267</u> | <u>3,542</u> |

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

9. STAFF COSTS

Staff costs were as follows:

| | 2016 £ | 2015 £ |
|--|-------------------------|-------------------------|
| Wages and salaries | 2,147,827 | 1,976,877 |
| Social security costs | 156,715 | 128,010 |
| Operating costs of defined benefit pension schemes | 317,697 | 277,280 |
| | <u>2,622,239</u> | <u>2,382,167</u> |
| Supply teacher costs | 118,506 | 355,122 |
| Staff restructuring costs | 4,400 | - |
| | <u><u>2,745,145</u></u> | <u><u>2,737,289</u></u> |

Staff restructuring costs comprise:

| | 2016 £ | 2015 £ |
|--------------------|---------------------|-----------------|
| Severance payments | 4,400 | - |
| | <u><u>4,400</u></u> | <u><u>-</u></u> |

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

| | 2016 No. | 2015 No. |
|----------------------------|-------------------|-------------------|
| Management | 8 | 8 |
| Teachers | 27 | 26 |
| Administration and support | 92 | 94 |
| | <u><u>127</u></u> | <u><u>128</u></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 |
| In the band £70,001 - £80,000 | 1 | 0 |

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2016 pension contributions for these staff members amounted to £22,849.

The total remuneration for the key management personnel, who are the headteachers of the schools in the trust, totalled £161,503 of which £138,652 related to pay and £22,849 to pension payments.

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

10. CENTRAL SERVICES

The academy has provided the following central services to its academies during the year:

- Staffing
- Statutory audit fees
- Trustee insurance and premises valuations
- Professional fees

The academy charges for these services on the following basis:

Costs are paid out of central retained funds. Retention rate is 5% of non-earmarked funding.

The actual amounts charged during the year were as follows:

| | 2016 | 2015 |
|---|----------------|----------------|
| | £ | £ |
| Staffing | 124,791 | 131,280 |
| Statutory audit fees | 1,000 | 1,000 |
| Trustee insurance and premises valuations | 675 | 655 |
| Professional fees | 1,500 | 30 |
| | <u>127,966</u> | <u>132,965</u> |
| Total | | |

11. 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:

| | | 2016 | 2015 |
|--------------|----------------------------|---------------|---------------|
| | | £ | £ |
| Mr T Parfett | Remuneration | 70,000-75,000 | 45,000-50,000 |
| | Pension contributions paid | 10,000-15,000 | 5,000-10,000 |

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

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 included in the total insurance cost.

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

13. OTHER FINANCE INCOME

| | 2016 £ | 2015 £ |
|--|-----------------|-----------------|
| Interest income on pension scheme assets | - | 31,000 |
| Interest on pension scheme liabilities | (43,000) | (68,000) |
| | <u>(43,000)</u> | <u>(37,000)</u> |

14. TRANSFERS BETWEEN FUNDS

Funds have been transferred in respect of the following;

£65,811 has been transferred from restricted funds to the restricted fixed asset funds for assets purchased from GAG.

15. TANGIBLE FIXED ASSETS

| | Long-term leasehold property £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|-----------------------|---|------------------------------------|----------------------------|------------------|
| Cost | | | | |
| At 1 September 2015 | 6,298,860 | 1,719,414 | 255,414 | 8,273,688 |
| Additions | 522,084 | 23,311 | 44,818 | 590,213 |
| At 31 August 2016 | <u>6,820,944</u> | <u>1,742,725</u> | <u>300,232</u> | <u>8,863,901</u> |
| Depreciation | | | | |
| At 1 September 2015 | 214,095 | 932,840 | 152,452 | 1,299,387 |
| Charge for the year | 167,475 | 432,972 | 76,885 | 677,332 |
| At 31 August 2016 | <u>381,570</u> | <u>1,365,812</u> | <u>229,337</u> | <u>1,976,719</u> |
| Net book value | | | | |
| At 31 August 2016 | <u>6,439,374</u> | <u>376,913</u> | <u>70,895</u> | <u>6,887,182</u> |
| At 31 August 2015 | <u>6,084,765</u> | <u>786,574</u> | <u>102,962</u> | <u>6,974,301</u> |

16. DEBTORS

| | 2016 £ | 2015 £ |
|--------------------------------|---------------|----------------|
| VAT repayable | 22,177 | 53,533 |
| Prepayments and accrued income | 59,711 | 73,511 |
| | <u>81,888</u> | <u>127,044</u> |

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

17. CREDITORS: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 39,278 | 105,509 |
| Other taxation and social security | 49,861 | 42,106 |
| Wages and Salaries | 35,776 | 30,798 |
| SALIX loan | 7,296 | 7,296 |
| Accruals and deferred income | 98,351 | 244,098 |
| | <u>230,562</u> | <u>429,807</u> |

| | 2016 £ | 2015 £ |
|--------------------------------------|---------------|----------------|
| Deferred income | | |
| Deferred income at 1 September 2015 | 143,977 | 59,659 |
| Resources deferred during the year | 54,606 | 143,977 |
| Amounts released from previous years | (143,977) | (59,659) |
| Deferred income at 31 August 2016 | <u>54,606</u> | <u>143,977</u> |

Included within deferred income is; grants of £48,945 universal free school meals and £5,661 of educational visits for which entitlement has yet to be achieved.

Included above is a loan of £7,296 from the EFA which is provided on the following terms; a 0% Salix loan being repaid at £7,296 per annum over a 5 year period.

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

| | 2016 £ | 2015 £ |
|------------|---------------|---------------|
| SALIX loan | 29,184 | 29,184 |
| | <u>29,184</u> | <u>29,184</u> |

Included above is a loan of £29,184 from the EFA which is provided on the following terms; a 0% Salix loan being repaid at £7,296 per annum over a 5 year period.

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

19. STATEMENT OF FUNDS

| | Brought Forward £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
|-------------------------------------|-------------------------|-------------|------------------|--------------------------|-------------------------|-------------------------|
| Unrestricted funds | | | | | | |
| General Funds - all funds | 112,910 | 123,146 | (76,312) | - | - | 159,744 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 375,771 | 3,041,318 | (2,903,679) | (65,811) | - | 447,599 |
| Other DfE/EFA grants | 58,024 | 454,906 | (453,590) | - | - | 59,340 |
| Local Authority grants | - | 232,395 | (232,395) | - | - | - |
| Library grant | - | 7,500 | (7,500) | - | - | - |
| Pension reserve | (1,152,000) | - | (60,000) | - | (1,137,000) | (2,349,000) |
| | (718,205) | 3,736,119 | (3,657,164) | (65,811) | (1,137,000) | (1,842,061) |
| Restricted fixed asset funds | | | | | | |
| Capital grants | 178,782 | 339,126 | - | (474,333) | - | 43,575 |
| Purchased fixed assets | 1,024,019 | - | (108,455) | 540,144 | - | 1,455,708 |
| Inherited assets | 4,691,578 | - | (543,188) | - | - | 4,148,390 |
| Local Authority gifted asset | 1,258,705 | - | (25,688) | - | - | 1,233,017 |
| | 7,153,084 | 339,126 | (677,331) | 65,811 | - | 6,880,690 |
| Total restricted funds | 6,434,879 | 4,075,245 | (4,334,495) | - | (1,137,000) | 5,038,629 |
| Total of funds | 6,547,789 | 4,198,391 | (4,410,807) | - | (1,137,000) | 5,198,373 |

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

Restricted general funds

These funds relate to the Academy's development and operational activities.

Restricted pension funds

These funds represent the LGPS obligation to the employees of the Academy Trust.

Restricted fixed asset fund

These funds relate to long term assets held by the Academy Trust and grants to purchase or maintain these assets.

Unrestricted funds

These funds relate to amounts generated or acquired with no restricted covenants attached to them other than for use within the charitable objects of the Academy.

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FOR THE YEAR ENDED 31 AUGUST 2016**

19. STATEMENT OF FUNDS (continued)

Restriction on surplus GAG

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.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

| | Total 2016 £ | Total 2015 £ |
|---|-----------------------------|-----------------------------|
| Quarry Hill Academy | 454,697 | 360,136 |
| Benyon Primary School | 89,139 | 94,743 |
| Central funds | 122,847 | 91,824 |
| | <hr/> | <hr/> |
| Total before fixed asset fund and pension reserve | 666,683 | 546,703 |
| Restricted fixed asset fund | 6,880,690 | 7,153,084 |
| Pension reserve | (2,349,000) | (1,152,000) |
| | <hr/> | <hr/> |
| Total | <u>5,198,373</u> | <u>6,547,787</u> |

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy during the year was as follows:

| | Teaching and educational support staff costs £ | Other support staff costs £ | Educational supplies £ | Other costs excluding depreciat- ion £ | Total 2016 £ | Total 2015 £ |
|-----------------------|---|--|---------------------------------------|---|-----------------------------|-----------------------------|
| Benyon Primary School | 751,616 | 165,532 | 44,911 | 212,814 | 1,174,873 | 1,229,559 |
| Quarry Hill Academy | 1,494,611 | 316,386 | 80,349 | 480,296 | 2,371,642 | 2,341,612 |
| Central charges | - | - | - | 127,966 | 127,966 | 152,292 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | <u>2,246,227</u> | <u>481,918</u> | <u>125,260</u> | <u>821,076</u> | <u>3,674,481</u> | <u>3,723,463</u> |

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--|----------------------------------|---|------------------------------------|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | - | - | 6,974,304 |
| Current assets | 681,973 | 6,897,647 | (10,464) | 6,887,183 | - |
| Creditors due within one year | (175,034) | (50,870) | (4,661) | (230,565) | 1,184,478 |
| Creditors due in more than one year | - | (29,184) | - | (29,184) | (429,809) |
| Provisions for liabilities and charges | (2,349,000) | - | - | (2,349,000) | (29,184) |
| | <u>(1,842,061)</u> | <u>6,880,690</u> | <u>159,744</u> | <u>5,198,373</u> | <u>(1,152,000)</u> |
| | | | | | <u>6,547,789</u> |

21. 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) | (212,416) | 589,272 |
| Adjustment for: | | |
| Depreciation charges | 677,331 | 623,659 |
| Gains on investments | 153 | 55 |
| Gifted asset | - | (262,589) |
| Decrease in debtors | 45,154 | 74,851 |
| (Decrease)/increase in creditors | (199,242) | 176,666 |
| Capital grants from DfE and other capital income | (339,126) | (683,176) |
| Defined benefit pension scheme cost less contributions payable | 17,000 | 21,000 |
| Defined benefit pension scheme finance cost | 43,000 | 37,000 |
| Net cash provided by operating activities | <u>31,854</u> | <u>576,738</u> |

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2016 £ | 2015 £ |
|--------------|----------------|------------------|
| Cash in hand | 838,049 | 1,057,435 |
| Total | <u>838,049</u> | <u>1,057,435</u> |

23. CONTINGENT LIABILITIES

There is a potential claim against the Academy Trust in respect of an employee of the Dilkes Academy. Due to the nature of and uncertainty surrounding this claim, we have been unable to ascertain an amount or the likely outcome but the legal advisors to the Academy Trust have confirmed that there could be a potential claim.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. 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 Essex Pension Fund. 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 March 2013.

Contributions amounting to £35,776 were payable to the schemes at 31 August 2016 (2015 - 30,651) and are included within creditors.

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
- 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 £178,798 (2015 - £130,212).

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).

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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

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 £161,000 (2015 - £155,000), of which employer's contributions totalled £123,000 (2015 - £118,000) and employees' contributions totalled £38,000 (2015 - £37,000). The agreed contribution rates for future years are 12.3% for employers and 5.5% - 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 |
|-------------------|--------|--------|
| RPI increases | 3.20 % | 3.60 % |
| CPI increases | 2.30 % | 2.70 % |
| Salary increases | 4.10 % | 4.50 % |
| Pension increases | 2.30 % | 2.70 % |
| Discount rate | 2.20 % | 4.00 % |

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 | 22.9 | 22.8 |
| Females | 25.3 | 25.2 |
| Retiring in 20 years | | |
| Males | 25.2 | 25.1 |
| Females | 27.7 | 27.6 |

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24. PENSION COMMITMENTS (continued)

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

| | Fair value at 31 August 2016 £ | Fair value at 31 August 2015 £ |
|--|---|---|
| Equities | 651,000 | 449,000 |
| Gilts | 34,000 | 28,000 |
| Other bonds | 42,000 | 67,000 |
| Property | 105,000 | 80,000 |
| Cash | 29,000 | 18,000 |
| Alternative assets & other managed funds | 87,000 | 50,000 |
| Total market value of assets | <u>948,000</u> | <u>692,000</u> |

The actual return on scheme assets was £114,000 (2015 - £29,000).

The expected return on assets is based on the long-term future expected investment return for each asset classes as at the beginning of the period (i.e. as at 1 September 2014) for the year to 31 August 2015. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an allowance for defaults) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

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) | (140,000) | (147,000) |
| Net interest cost | (43,000) | (37,000) |
| Total | <u>(183,000)</u> | <u>(184,000)</u> |
| Actual return on scheme assets | <u>114,000</u> | <u>29,000</u> |

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

| | 2016 £ | 2015 £ |
|------------------------------------|------------------|------------------|
| Opening defined benefit obligation | 1,844,000 | 1,596,000 |
| Current service cost | 140,000 | 147,000 |
| Interest cost | 74,000 | 68,000 |
| Contributions by employees | 38,000 | 40,000 |
| Actuarial losses/(gains) | 1,220,000 | (1,000) |
| Benefits paid | (19,000) | (6,000) |
| Closing defined benefit obligation | <u>3,297,000</u> | <u>1,844,000</u> |

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24. PENSION COMMITMENTS (continued)

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

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Opening fair value of scheme assets | 692,000 | 503,000 |
| Return on plan assets (excluding net interest on the net defined pension liability) | 31,000 | 31,000 |
| Actuarial gains and (losses) | 83,000 | (2,000) |
| Contributions by employer | 123,000 | 126,000 |
| Contributions by employees | 38,000 | 40,000 |
| Benefits paid | (19,000) | (6,000) |
| | <hr/> | <hr/> |
| Closing fair value of scheme assets | 948,000 | 692,000 |
| | <hr/> | <hr/> |

25. 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 £ |
|-------------------------|-----------|-----------|
| Amounts payable: | | |
| Within 1 year | 6,481 | 3,784 |
| Between 1 and 5 years | 6,039 | 1,768 |
| | <hr/> | <hr/> |
| Total | 12,520 | 5,552 |
| | <hr/> | <hr/> |

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

26. RELATED PARTY TRANSACTIONS

The below table outlines related party transactions with Dilkes Academy which has common Trustees with Catalyst Academies Trust:

| | 2016 £ | 2015 £ |
|-----------------------------|----------------|----------------|
| Educational consultancy | - | - |
| Teaching wages and salaries | 3,487 | 28,316 |
| Staff development | (303) | 4,327 |
| Donations | (14,851) | (2,865) |
| Central services - salaries | 128,510 | 151,507 |
| | <u>128,510</u> | <u>151,507</u> |

At 31 August 2015 the following amounts were outstanding with Dilkes Academy; Debtors £1,064 (2014: Debtors £414).

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

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27. CONNECTED CHARITIES

Dilkes Academy is a connected charity to Catalyst Academies Trust due to common Trustees in both entities. As both entities are Academy Trusts the charitable objects of both the Catalyst Academies Trust and Dilkes Academy are the same. The following figures relate to the years ending 31st August;

Dilkes Academy financial information

| | 2016 £ | 2015 £ |
|---------------------------------------|----------------|----------------|
| SOFA | | |
| Total incoming resources | 3,976,654 | 2,749,298 |
| Total resources expended | (3,668,563) | (2,621,805) |
| Net income/(expenditure) for the year | <u>308,091</u> | <u>127,493</u> |

| | 2016 £ | 2015 £ |
|----------------------|------------------|------------------|
| Balance Sheet | | |
| Assets | 4,825,053 | 4,233,893 |
| Liabilities | (1,732,705) | (1,066,999) |
| Total funds | <u>3,092,348</u> | <u>3,166,894</u> |

28. CONTROLLING PARTY

There is no ultimate controlling party

29. 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.

30. 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.