

Registration number: 08954620

Holy Family Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2017

Crozier Jones LLP
Chartered Certified Accountants
9/13 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ

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Holy Family Academy Trust

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Holy Family Academy Trust

Reference and Administrative Details

Members	Bishop John Rawsthorpe Diocese of Hallam trustee Mr Joseph Paul McCay Bishop Ralph Heskett
Governors and Trustees (Directors)	Mrs Samantha Benson, Head of School Mrs Bernadette Nesbit, Executive Head Teacher/Accounting Officer Ms Annette Dews, Foundation Governor (Vice Chair from 31 August 2016) Ms Lisa Plant, Parent Governor Mr Joseph Paul McCay, Foundation Governor (Chair from 31 August 2016) Mrs Anne Ward, Foundation Governor (appointed 19 October 2016) Mrs Sue Marie Cullen (appointed 21 February 2017)
Senior Management Team	Mrs Nesbit, Executive Head Teacher Mrs Samantha Benson, Head of School Mrs Julie Rhodes, School Business Manager
Principal and Registered Office	Kirton Lane Stainforth Doncaster South Yorkshire DN7 5BL
Company Registration Number	08954620
Auditors	Crozier Jones LLP Chartered Certified Accountants 9/13 Thorne Road Doncaster South Yorkshire DN1 2HJ 11 July 2014
Bankers	HSBC Bank plc 1 High Street Doncaster DN1 1EE

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy operates a Catholic primary school for pupils aged 2 to 10 serving its local area. It had a roll of 221 in the school census in Spring 2017.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company was incorporated on 24 March 2014. The company is registered in England and Wales with registration number is 08954620.

The governors act as the trustees for the charitable activities of Holy Family Academy Trust and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the period (except as noted) are included in the Reference and Administrative Details on page 1.

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.

Trustees' indemnities

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

Method of recruitment and appointment or election of Trustees

Governors are appointed in accordance with the Articles of Association.

- Parent governor vacancies are filled through advertisement and election
- Staff governor vacancies are appointed by staff vote.
- Foundation governors are addressed through personal recommendation and consideration by the Diocese of Hallam.

Policies and procedures adopted for the induction and training of Trustees

Newly appointed Governors are formally written to by the Diocese of Hallam (with the exception of parent governors who are written to by the Chair). They are welcomed by the Chair at their first governor meeting. Each governor is handed a Governor Handbook which contains key essential reading for the governor to undertake.

They are encouraged to participate in training provided by the Local Authority and are kept up to date with regular copies of policies, minutes, financial information and the School Improvement Plan.

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Organisational structure

The Governing Body are responsible for the strategic direction of the school. One member acts as Chair of Governors and another as Vice Chair of Governors.

The Governing body have delegated the approval of budget and financial regulations to the Finance sub committee.

Other governor sub committee's deal with

- Management and resources
- Pay
- Curriculum
- Admissions

The Executive Head Teacher is the designated Accounting Officer of the academy and has overall responsibility for the day to day financial management of the school.

The Executive Head Teacher manages the academy on a daily basis supported by a Senior Leadership Team. The SLT meet weekly to discuss emerging matters and to help to develop strategies for future development to put to the Governing Body as required for approval.

Arrangements for setting pay and remuneration of key management personnel

The academy sets the pay and remuneration of key management personnel following staff performance reviews. The Executive Head Teacher makes recommendations to the Governing Body for pay rates based on staff performance. The Executive Head Teacher's performance is assessed by an external consultant who reports their recommendations to the Governing Body. All pay changes are approved by the Governing Body before implementation.

Risk management

The Board and Governors have an established system for assessing and managing risks.

Connected organisations, including related party relationships

The Executive Head Teacher is a National Leader of Education and therefore works with other schools to provide coaching and leadership.

The school maintains a register of pecuniary interests of the Governing Body which is regularly reviewed and updated.

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Objectives and activities

Objects and aims

The principal object of Holy Family Academy Trust is to provide a broad and balanced curriculum to all pupils in accordance with the Funding Agreement between the Academy Trust and the Department for Education.

The main objectives of the Academy Trust are to:

- provide high quality teaching and learning
- work in partnership with the Diocese of Hallam together with 'Our Lady of Doncaster Academy Trust'.
- provide an inclusive, high quality education for all pupils
- provide a safe and secure environment for all pupils

Objectives, strategies and activities

Key priorities this period are contained in our School Improvement plan and include

- teaching and achievement in Religious Education is outstanding
- teaching throughout the school is at least good to outstanding
- assessment is embedded both formative and summative
- all groups of pupils across the school make outstanding progress based on their starting points
- attainment for all groups across the school is high compared to national figures
- safeguarding policy and procedures to be in place and bespoke to the McAuley pyramid of schools
- the new curriculum to be successfully embedded and leading to highly memorable learning experiences, resulting in outstanding achievement in all areas of the curriculum
- the school's curriculum priorities to be based on depth of learning and quality rather than just coverage
- to continue to narrow the gap between disadvantaged and others
- the new Code of Practice for SEND to be embedded within the school, leading to high quality inclusive practice with SEND pupils achieving in line with expectations.

Public benefit

The Academy Trust provides educational services to all children in the local area. The Trustees 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.

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Achievements and performance

The school continues to be judged as good following its visit by Ofsted on 18 May 2017.

Key financial performance indicators

	Unit	2017	2016
Income from ESFA as percentage of total income	%	82.90	86.17
Income from DMBC as percentage of total income	%	13.20	8.77

Key non financial performance indicators

	SCHOOL	DONCASTER	INDICATION OF EARLY NATIONAL
Phonics Yr 1	87%	78%	81%
Phonics Yr 2	83%	60%	Not available

KEY STAGE 1 RESULTS

		SCHOOL	DONCASTER	INDICATION OF EARLY NATIONAL
READING	EXPECTED	73%	72%	76%
	GREATER DEPTH	50%	23%	25%
WRITING	EXPECTED	77%	66%	68%
	GREATER DEPTH	40%	14%	16%
MATHS	EXPECTED	87%	74%	75%
	GREATER DEPTH	53%	21%	21%
RWM COMBINED	EXPECTED	73%	62%	64%
	GREATER DEPTH	37%	Not available	11%

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

KEY STAGE 2 RESULTS

		SCHOOL	DONCASTER	INDICATION OF EARLY NATIONAL
READING	EXPECTED	76%	62%	71%
	GREATER DEPTH	53%	17%	25%
WRITING	EXPECTED	76%	73%	76%
	GREATER DEPTH	24%	13%	18%
MATHS	EXPECTED	82%	69%	75%
	GREATER DEPTH	41%	17%	23%
SPAG	EXPECTED	76%	71%	77%
	GREATER DEPTH	35%	25%	31%
RWM	EXPECTED	76%	53%	61%
	GREATER DEPTH	24%	6%	9%

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Whilst there is a restricted pension fund reserve with a deficit of £385,000 this is being funded over a twenty-year period and so does not give rise to an immediate liability. The cash flow effect of this funding requirement together with possible future increases in pension contributions, if required, are expected to be met from budgeted annual income. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Financial review

The Academy's main sources of funding are grants received from the Education and Skills Funding Agency and Doncaster Metropolitan Borough Council.

During the year the academy has completed resurfacing works to its staff car park and has continued to update and refresh its classroom and teaching spaces.

The Senior Leadership Team have been working closely with St. Francis Xavier Catholic Primary School. Funding from Doncaster Metropolitan Borough Council has been provided to allow the academy to support this local authority maintained school.

Financial Position

In the opinion of the trustees the Academy's financial position is satisfactory.

Financial and risk management objectives and policies

The Academy has a pension deficit with the Local Government Pension Scheme which is reflected in the accounts. This deficit was originally inherited as part of the Academy conversion process from the Local Authority

Reserves policy

At 31 August 2017 the balance of the academies restricted general fund (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £242,208.

The governors review the reserves policy annually. The level of reserve is carried forward to meet the long-term needs and planning of the Academy as well as an element of unforeseen contingencies. The governors are mindful of the need to ensure that existing students are not disadvantaged through the retention of excessive reserves.

Investment policy

The Academy has a policy not to hold investments, only cash balances.

Principal risks and uncertainties

The Academy has implemented a number of systems in response to its assessment of the principle risks in its operations. This includes systems designed to maintain and improve educational standards, safeguard pupils and ensure health and safety requirements are met. The Academy also operates a systems of internal control for its financial operations.

Plans for future periods

The academy will continue to provide a broad and balanced curriculum to its pupils building on the successes it has had this year with its Ofsted inspection.

It will also continue to work with and provide support to St. Francis Xavier Catholic Primary School.

The academy has also been accepted as a teaching school from the start of the 2017-18 academic year.

Holy Family Academy Trust

Trustees' Report for the Year Ended 31 August 2017 (continued)

Auditor


In so far as the Trustees are aware:

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

Reappointment of auditor

The auditors Crozier Jones LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the board of trustees, as the company directors, on 13 December 2017 and signed on its behalf by:


.....
Mr Joseph Paul McCay
Governor and trustee

Holy Family Academy Trust

Governance Statement

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to Mrs Bernadette Nesbit, Executive Head Teacher/Accounting Officer, 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 Holy Family Academy 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
Mrs Bernadette Nesbit	3	3
Mrs Samantha Benson	3	3
Ms Annette Dews	3	3
Mr Joseph Paul McCay	3	3
Ms Lisa Plant	3	3
Mrs Sue Marie Cullen	0	1
Mrs Anne Ward	2	3

Governance reviews

The Governing Body operates an ongoing process of self-evaluation and review.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to advise the governors and analyse financial data. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Bernadette Nesbit	3	3
Mr Joseph Paul McCay	3	3
Ms Annette Dews	3	3

Holy Family Academy Trust

Governance Statement (continued)

Review of value for money

As Accounting Officer the Head Teacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Management accounts are produced and discussed with senior managers and the Governing Body to ensure value for money.
- Spending proposals are costed and presented to senior leaders and governors and a business case is produced to support major investments. All proposals are challenged appropriately at all levels.
- Regular Budget to Actual comparisons are produced and explained to senior staff and governors by the School Business Manager.
- All contracts are reviewed when renewed to ensure the academy's interests are secured and are fit for purpose and provide best value. Consideration is given to both local and national contractors in determining best value before any commitment is made.
- The school ensures that multiple tenders are sourced where appropriate to ensure Value for Money.
- Cash flow forecasts are included within regular reports to identify possible opportunities to invest surplus cash balances and maximise bank interest
- Delegation of authority and segregation of duties are defined within policies and governor meetings

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Holy Family Academy Trust for the year ended 31 August 2017 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 Trust 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 Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;

Holy Family Academy Trust

Governance Statement (continued)

- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (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 Mr J P McCay, a trustee, to carry out a programme of internal checks.

This role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of income systems
- testing of expenditure systems
- testing of control account and bank reconciliations

On a termly basis Mr J P McCay reports to the board of trustees, through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

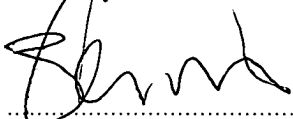
Review of effectiveness

As Accounting Officer, Mrs Bernadette Nesbit, Executive Head Teacher/Accounting Officer 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 Finance sub-committee;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 13 December 2017 and signed on its behalf by:



Mrs Bernadette Nesbit
Accounting officer
Governor and trustee

Holy Family Academy Trust
Governance Statement (continued)



.....
Mr Joseph Paul McCay
Governor and trustee

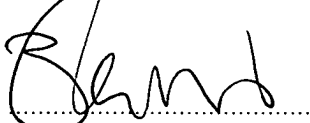
Holy Family Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Holy Family Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



Mrs Bernadette Nesbit, Executive Head Teacher/Accounting Officer
Accounting officer

13 December 2017

Holy Family Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who act as the governors of Holy Family Academy Trust Academy 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 published by the Education and Skills 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:

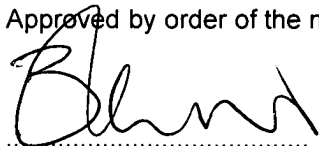
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

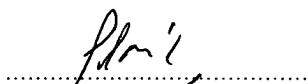
The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have 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 on 13 December 2017 and signed on its behalf by:



Mrs Bernadette Nesbit
Governor and trustee



Mr Joseph Paul McCay
Governor and trustee

Holy Family Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Holy Family Academy Trust

Opinion

We have audited the financial statements of Holy Family Academy Trust (the 'Academy') for the year ended 31 August 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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', the charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Holy Family Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Holy Family Academy Trust (continued)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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.

Holy Family Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Holy Family Academy Trust (continued)

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 14], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

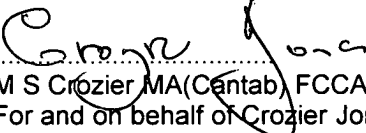
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Holy Family Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Holy Family Academy Trust (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


M S Crozier MA(Cantab) FCCA ACA CTA (Senior Statutory Auditor)
For and on behalf of Crozier Jones LLP, Statutory Auditor

9/13 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ

13 December 2017

Holy Family Academy Trust

Independent Reporting Accountant's Report on Regularity to Holy Family Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 11 July 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holy Family Academy Trust during the period 1 September 2016 to 31 August 2017 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 Holy Family Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Holy Family Academy Trust and the ESFA 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 Holy Family Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the board of trustees's funding agreement with the Secretary of State for Education and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 from 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. 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 Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

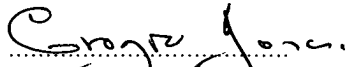
- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- evaluation of the general control environment of the Academy Trust;
- assessment and testing of a sample of the specific control activities over regularity of a particular activity; and
- consideration of whether the activity is permissible within the Academy Trust's Framework of authorities.

Holy Family Academy Trust

Independent Reporting Accountant's Report on Regularity to Holy Family Academy Trust and the Education and Skills Funding Agency (continued)

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 from 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



M S Crozier MA (Cantab) FCCA ACA CTA

For and on behalf of Crozier Jones LLP, Chartered Accountants

9/13 Thorne Road
Doncaster
South Yorkshire
DN1 2HJ

13 December 2017

Holy Family Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £
Income and endowments from:					
Donations and capital grants	2	-	6,304	-	6,304
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	994,827	-	994,827
Other trading activities	4	89,589	25,714	-	115,303
Total		89,589	1,026,845	-	1,116,434
Expenditure on:					
Raising funds	5	78,427	-	-	78,427
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	1,013,381	15,020	1,028,401
Total		78,427	1,013,381	15,020	1,106,828
Net income/(expenditure)		11,162	13,464	(15,020)	9,606
Transfers between funds		-	(5,415)	5,415	-
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes	21	-	239,000	-	239,000
Net movement in funds/(deficit)		11,162	247,049	(9,605)	248,606
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		86,078	(487,081)	22,149	(378,854)
Total funds/(deficit) carried forward at 31 August 2017		97,240	(240,032)	12,544	(130,248)

Holy Family Academy Trust

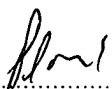
Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	-	6,093	-	6,093
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	928,152	-	928,152
Other trading activities	4	17,448	39,421	-	56,869
Total		17,448	973,666	-	991,114
Expenditure on:					
Raising funds	5	16,460	-	-	16,460
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	1,055,703	13,922	1,069,625
Total		16,460	1,055,703	13,922	1,086,085
Net income/(expenditure)		988	(82,037)	(13,922)	(94,971)
Transfers between funds		-	(23,403)	23,403	-
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes	21	-	(189,000)	-	(189,000)
Net movement in funds/(deficit)		988	(294,440)	9,481	(283,971)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		85,090	(192,641)	12,668	(94,883)
Total funds/(deficit) carried forward at 31 August 2016		86,078	(487,081)	22,149	(378,854)

Holy Family Academy Trust
(Registration number: 08954620)
Balance Sheet as at 31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	10	12,544	22,149
Current assets			
Stocks	11	2,500	1,500
Debtors	12	60,936	26,131
Cash at bank and in hand		<u>240,727</u>	<u>273,171</u>
		304,163	300,802
Creditors: Amounts falling due within one year	13	<u>(61,955)</u>	<u>(116,805)</u>
Net current assets		<u>242,208</u>	<u>183,997</u>
Total assets less current liabilities		<u>254,752</u>	<u>206,146</u>
Net assets excluding pension liability		254,752	206,146
Pension scheme liability	21	<u>(385,000)</u>	<u>(585,000)</u>
Net liabilities including pension liability		<u><u>(130,248)</u></u>	<u><u>(378,854)</u></u>
Funds of the Academy:			
Restricted funds			
Restricted General Funds		144,968	97,919
Restricted Pension Fund		(385,000)	(585,000)
Restricted Fixed Asset Funds		<u>12,544</u>	<u>22,149</u>
		(227,488)	(464,932)
Unrestricted funds			
Unrestricted Funds		<u>97,240</u>	<u>86,078</u>
Total funds		<u><u>(130,248)</u></u>	<u><u>(378,854)</u></u>

The financial statements on pages 21 to 46 were approved by the Trustees, and authorised for issue on 13 December 2017 and signed on their behalf by:



 Mr Joseph Paul McCay
 Governor and trustee

Holy Family Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2017

	Note	2017 £	2016 £
Net cash outflow from operating activities	17	(27,029)	(155,441)
Cash flows from investing activities	18	<u>(5,415)</u>	<u>(23,404)</u>
Decrease in cash and cash equivalents in the year	19	<u><u>(32,444)</u></u>	<u><u>(178,845)</u></u>
Reconciliation to cash and cash equivalents			
Cash and cash equivalents at 1 September		273,171	452,016
Change in cash and cash equivalents		<u>(32,444)</u>	<u>(178,845)</u>
Cash and cash equivalents at 31 August	19	<u><u>240,727</u></u>	<u><u>273,171</u></u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017

1 Accounting policies

Statement of 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.

Basis of preparation

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Holy Family Academy Trust meets the definition of a public benefit entity under FRS 102.

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 company 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.

Whilst there is a restricted pension fund reserve with a deficit of £385,000 this is being funded over a twenty-year period and so does not give rise to an immediate liability. The cash flow effect of this funding requirement together with possible future increases in pension contributions, if required, are expected to be met from budgeted annual income.

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

In common with many other Catholic Voluntary Academies, the company occupies land and buildings owned by the Catholic Church under a rolling two year licence. The company is allowed the free use of these land and buildings for the purposes of furthering the Church's objects. The Directors consider that the fair value of the benefit of this arrangement cannot be reliably measured and that it cannot therefore be included as a donation of services (and an equivalent amount of expenditure on rent).

The academy occupies playing fields owned by DMBC under a 125 year lease granted to the academy on its conversion from a local authority school. DMBC retain the freehold title to the land. Accordingly, the academy does not pay any rent for the use of these playing fields. The Directors consider that the fair value of the benefit of this arrangement is immaterial to the academy's accounts and it has not therefore been included as a donation of services (and an equivalent amount of expenditure on rent).

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Charitable activities

These 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.

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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 and carried forward in the Balance Sheet. Depreciation on such assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

In common with many other Catholic Voluntary Academies, the company occupies land and buildings owned by the Catholic Church under a rolling two year licence. The company is allowed the free use of these land and buildings for the purposes of furthering the Church's objects. The Church retains the legal title, control over access and control over works. Accordingly, the Directors do not consider that the Church's land and buildings constitute an asset of the company as it does not have control of the land and buildings.

The academy occupies playing fields owned by DMBC under a 125 year lease granted to the academy on its conversion from a local authority school. DMBC retain the freehold title to the land. The academy is required to obtain consent for any works and cannot sublet the playing fields. Accordingly, the Directors do not consider that the playing fields constitute an asset of the company as it does not have control of the playing fields.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class

Fixtures and Fittings
Computer equipment

Depreciation method and rate

Straight line over four years
Straight line over three years

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Liabilities

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 Trust 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

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

Unsold uniforms, stationery and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust 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 Trust 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.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency 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/donor and include grants from the Education and Skills Funding Agency and Local Authority.

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.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

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 21, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	<u>6,304</u>	<u>6,304</u>	<u>6,093</u>

3 Funding for the Academy Trust's educational operations

	Restricted funds £	Total 2017 £	Total 2016 £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	795,760	795,760	729,475
Other ESFA Grants	<u>123,283</u>	<u>123,283</u>	<u>118,224</u>
	919,043	919,043	847,699
Other government grants			
Local authority grants	<u>75,784</u>	<u>75,784</u>	<u>80,453</u>
Total grants	<u>994,827</u>	<u>994,827</u>	<u>928,152</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Catering income	-	16,835	16,835	20,223
School shop sales uniform	2,058	-	2,058	3,108
Breakfast and after school clubs	7,515	-	7,515	7,402
Parental contribution	8,620	3,501	12,121	10,147
Other income	71,396	5,378	76,774	15,989
	<u>89,589</u>	<u>25,714</u>	<u>115,303</u>	<u>56,869</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

5 Expenditure

	Non Pay Expenditure			Total 2017	Total 2016
	Staff costs £	Premises £	Other costs £	£	£
Expenditure on raising funds	64,596	-	13,831	78,427	16,460
Academy's educational operations					
Direct costs	598,189	-	58,073	656,262	673,577
Allocated support costs	161,491	83,360	127,288	372,139	396,048
	<u>824,276</u>	<u>83,360</u>	<u>199,192</u>	<u>1,106,828</u>	<u>1,086,085</u>

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Operating leases - plant and machinery	5,006	5,006
Fees payable to auditor - audit	7,295	8,000
Other non audit services	1,200	2,000
Depreciation	<u>15,020</u>	<u>13,922</u>

Included within expenditure are the following transactions.

	Total [£]	Individual items above £5,000 Amount £
Gifts made by the trust	445	-

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

6 Charitable activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations		
Teaching and educational support staff costs	598,189	601,236
Educational supplies	26,637	38,432
Examination fees	4,351	1,154
Staff development	11,422	6,959
Educational consultancy	4,980	4,825
Other direct costs	10,683	20,971
	<u>656,262</u>	<u>673,577</u>
Support costs - educational operations		
Support staff costs	142,656	129,428
Pension deficit funding contributions	18,835	19,002
Technology costs	18,252	17,000
Maintenance of premises and equipment	51,637	74,023
Cleaning	4,399	3,425
Rent, rates and utilities	20,486	17,534
Insurance	6,838	6,869
Recruitment and support	1,889	6,603
Catering	58,422	58,041
Bank interest and charges	-	20
Interest on defined benefit pension scheme	12,000	15,000
Other support costs	26,144	24,872
Governance costs	10,581	24,231
	<u>372,139</u>	<u>396,048</u>
	<u>1,028,401</u>	<u>1,069,625</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

6 Charitable activities (continued)

	Educational operations £	Total 2017 £	Total 2016 £
Analysis of support costs			
Support staff costs	161,491	161,491	148,430
Technology costs	18,252	18,252	17,000
Premises costs	83,360	83,360	101,851
Other support costs	98,455	98,455	104,536
Governance costs	10,581	10,581	24,231
Total support costs	<u>372,139</u>	<u>372,139</u>	<u>396,048</u>

7 Staff

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	623,224	570,810
Social security costs	51,121	37,882
Pension costs	132,704	97,498
Supply teacher costs	17,227	43,476
	<u>824,276</u>	<u>749,666</u>

Staff numbers

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

	2017 No	2016 No
Charitable Activities		
Teachers	24	23
Administration and support	15	13
Management	1	1
	<u>40</u>	<u>37</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2017 No	2016 No
£60,001 - £70,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

7 Staff (continued)

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £195,375 (2015: £161,874).

8 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Head Teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Head Teacher and staff members under their contracts of employment and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees.

The value of trustees' remuneration was as follows:

Mrs Bernadette Nesbit (Executive Head Teacher):

Remuneration: £80,000 - £85,000 (2016 - £60,000 - £65,000)

Employer's pension contributions: £10,000 - £15,000 (2016 - £10,000 - £15,000)

Mrs Samantha Benson (Head of School):

Remuneration: £55,000 - £60,000 (2016 - £45,000 - £50,000)

Employer's pension contributions: £5,000 - £10,000 (2016 - £5,000 - £10,000)

During the year ended 31 August 2017, travel and subsistence expenses totalling £368 (2016 - £328) were reimbursed or paid directly to 2 trustees (2016 - 2).

Other related party transactions involving the trustees are set out in note 22.

9 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim. It is not possible to quantify the cost of the governors and officers insurance from the overall cost to renew the Academy's insurance.

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

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

10 Tangible fixed assets

	Fixtures & Fittings £	Computer equipment £	Total £
Cost			
At 1 September 2016	4,600	38,704	43,304
Additions	-	5,415	5,415
At 31 August 2017	4,600	44,119	48,719
Depreciation			
At 1 September 2016	2,492	18,663	21,155
Charge for the year	1,150	13,870	15,020
At 31 August 2017	3,642	32,533	36,175
Net book value			
At 31 August 2017	958	11,586	12,544
At 31 August 2016	2,108	20,041	22,149

11 Stock

	2017 £	2016 £
Stock	2,500	1,500

12 Debtors

	2017 £	2016 £
Trade debtors	23,382	-
VAT recoverable	10,173	-
Prepayments	12,274	12,228
Accrued grant and other income	15,107	13,903
	60,936	26,131

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

13 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	29,006	26,383
Other taxation and social security	-	26,435
Accruals	18,036	48,437
Deferred income	14,913	15,550
	<u>61,955</u>	<u>116,805</u>

	2017
	£
Deferred income	
Deferred income at 1 September 2016	15,550
Resources deferred in the period	14,913
Amounts released from previous periods	<u>(15,550)</u>
Deferred income at 31 August 2017	<u>14,913</u>

Deferred income represents funding received for Infant Free School Meals received in advance for the following academic year.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

14 Funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	82,017	795,760	(727,394)	(5,415)	144,968
Other ESFA Grants	13,902	123,283	(137,185)	-	-
DfE CIF	2,000	-	(2,000)	-	-
Other Government Grants	-	75,784	(75,784)	-	-
Other Revenue	-	25,714	(25,714)	-	-
Other ESFA Capital Grants	-	6,304	(6,304)	-	-
	<u>97,919</u>	<u>1,026,845</u>	<u>(974,381)</u>	<u>(5,415)</u>	<u>144,968</u>
Restricted fixed asset funds					
Assets Transferred on Conversion	6,469	-	(5,510)	-	959
Capital Expenditure from GAG	<u>15,680</u>	<u>-</u>	<u>(9,510)</u>	<u>5,415</u>	<u>11,585</u>
	22,149	-	(15,020)	5,415	12,544
Restricted pension funds					
Pension reserve	<u>(585,000)</u>	<u>-</u>	<u>(39,000)</u>	<u>239,000</u>	<u>(385,000)</u>
Total restricted funds	(464,932)	1,026,845	(1,028,401)	239,000	(227,488)
Unrestricted funds					
Unrestricted general funds	<u>86,078</u>	<u>89,589</u>	<u>(78,427)</u>	<u>-</u>	<u>97,240</u>
Total funds	<u>(378,854)</u>	<u>1,116,434</u>	<u>(1,106,828)</u>	<u>239,000</u>	<u>(130,248)</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

14 Funds (continued)

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

General Annual Grant (GAG) may only be spent in accordance with the academy trust's funding agreement with the Secretary of State. Under the funding agreement the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Other ESFA grants include Pupil Premium of £88,933 (2016:- £96,251), Universal Infant Meals of £25,565 (2016: £13,273) and PE Grant of £8,785 (2016:- £8,700).

Other Government grants include the following:-

Early Years Funding - the government provides funding for early years education, with a registered provider, for all children from the term after their third birthday until they reach compulsory school age, the term after their fifth birthday.

Low Incidence Funding - the council provides additional funding to support children with special educational needs.

Transfers between funds represent capital assets purchased using the General Annual Grant.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	12,544	12,544
Current assets	97,240	206,923	-	304,163
Current liabilities	-	(61,955)	-	(61,955)
Pension scheme liability	-	(385,000)	-	(385,000)
Total net assets	<u>97,240</u>	<u>(240,032)</u>	<u>12,544</u>	<u>(130,248)</u>

16 Commitments under operating leases

Operating leases

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts due within one year	5,006	5,006
Amounts due between one and five years	-	5,006
	<u>5,006</u>	<u>10,012</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

17 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2017 £	2016 £
Net income/(expenditure)	9,606	(94,971)
Depreciation	15,020	13,922
Defined benefit pension scheme cost less contributions payable	27,000	3,000
Defined benefit pension scheme finance cost (note 21)	12,000	15,000
(Increase)/decrease in stocks	(1,000)	500
(Increase)/decrease in debtors	(34,805)	40,928
Decrease in creditors	<u>(54,850)</u>	<u>(133,820)</u>
Net cash outflow from operating activities	<u>(27,029)</u>	<u>(155,441)</u>

18 Cash flows from investing activities

	2017 £	2016 £
Purchase of tangible fixed assets	<u>(5,415)</u>	<u>(23,404)</u>

19 Analysis of cash and cash equivalents

	At 31 August 2017 £	At 31 August 2016 £
Cash at bank and in hand	<u>240,727</u>	<u>273,171</u>
Total cash and cash equivalents	<u>240,727</u>	<u>273,171</u>

20 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.

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pensions Authority. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

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

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations (continued)

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 is currently underway based on April 2016 data, 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 £56,463 (2016: £51,845).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £43,619 (2016 - £37,254), of which employer's contributions totalled £30,405 (2016 - £26,650) and employees' contributions totalled £13,214 (2016 - £10,604). The agreed contribution rates for future years are 13.1 per cent for employers and 5.5 to 12.5 per cent for employees.

In addition to the contributions already detailed, deficit contributions of £18,836 (2016: £19,003) were paid in the year ending 31 August 2017. Annual deficit contributions are set between £19,500 and £20,300 for the three years until the next full actuarial valuation.

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

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	3.45	3.55
Rate of increase for pensions in payment/inflation	2.20	1.90
Discount rate for scheme liabilities	2.50	2.10
Inflation assumptions (CPI)	<u>2.20</u>	<u>1.80</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations (continued)

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males retiring today	22.90	23.00
Females retiring today	25.70	25.70
Retiring in 20 years		
Males retiring in 20 years	25.10	25.40
Females retiring in 20 years	<u>28.00</u>	<u>28.50</u>

Sensitivity analysis

	At 31 August 2017 £	At 31 August 2016 £
Discount rate +0.1%	14,000.00	16,000.00
Discount rate -0.1%	-14,000.00	-16,000.00
Mortality assumption – 1 year increase	-10,000.00	-12,000.00
Mortality assumption – 1 year decrease	10,000.00	12,000.00
Inflation +0.1%	-15,000.00	-16,000.00
Inflation -0.1%	<u>15,000.00</u>	<u>16,000.00</u>

The Academy Trust's share of the assets in the scheme were:

	At 31 August 2017 £	At 31 August 2016 £
Equities	111,000	64,000
Government bonds	25,000	17,000
Other bonds	13,000	7,000
Property	17,000	12,000
Cash and other liquid assets	4,000	2,000
Other	<u>14,000</u>	<u>8,000</u>
Total market value of assets	<u>184,000</u>	<u>110,000</u>

The actual return on scheme assets was £17,000 (2016 - £14,000).

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

21 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	76,000	42,000
Interest income	(3,000)	(3,000)
Interest cost	14,000	18,000
Admin expenses	1,000	1,000
Total amount recognized in the SOFA	<u>88,000</u>	<u>58,000</u>

Changes in the present value of defined benefit obligations were as follows:

	2017 £	2016 £
At start of period	695,000	425,000
Current service cost	76,000	42,000
Interest cost	14,000	18,000
Employee contributions	13,000	11,000
Actuarial (gains)/losses	(215,000)	200,000
Benefits paid	<u>(14,000)</u>	<u>(1,000)</u>
At 31 August	<u>569,000</u>	<u>695,000</u>

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

	2017 £	2016 £
At 1 September	110,000	47,000
Interest income	3,000	3,000
Administrative expenses	(1,000)	(1,000)
Actuarial gains	24,000	11,000
Employer contributions	49,000	40,000
Employee contributions	13,000	11,000
Benefits paid	<u>(14,000)</u>	<u>(1,000)</u>
At 31 August	<u>184,000</u>	<u>110,000</u>

Holy Family Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

22 Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted in accordance with the Academy Trust's financial regulations and normal procurement procedures.

During the year the academy made the following related party transactions:

The Diocese of Hallam

(An organisation which is able to appoint Foundation Governors)

During the year, the academy purchased goods and services from the Diocese of Hallam to the value of £4,087 (2016: £2,725).

Peter McCay

(Brother of the chair of trustees Joseph Paul McCay)

The academy employs Peter McCay as a teaching assistant. The salary he is paid for this role is calculated on a basis consistent with other teaching assistants employed by the school.