

**Saint Augustine's Catholic College  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Period ended 31 August 2012**



**Company Registration Number:  
07736524 (England and Wales)**

## **Saint Augustine's Catholic College**

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**Saint Augustine's Catholic College**

**Reference and administrative details**

Trustees	Mr M Stevenson The Rt Revd Declan Lang, Bishop of Clifton Mrs C Collett
Directors	Mr M Stevenson Mr J Alsop Mrs W Carruthers
Governors	Mr J Alsop Mr P Bates (appointed September 2011) Mr A Burholt (appointed December 2011) Mrs W Carruthers Mrs L Chappell Fr J-P Coulon Mrs L Duncan Mr D Greenwood Mr S Gurr (appointed September 2012) Mrs C Hanlon Mr P Hayball (resigned November 2011) Mrs A Howard Mrs C Hulland (resigned August 2012) Mr J Knight Canon L O'Driscoll Mrs J Polledri Mr M Stevenson Mr V Thomas Mrs H Ward Mr F White
Secretary	Mr M Stevenson
Senior Management Team	Head Teacher – Mr J Alsop Deputy Head – Ms A Cusak Deputy Head – Mrs J Dixon Assistant Head – Mrs H Hicks Assistant Head – Mr R Pitcher Assistant Head – Mr M Powell Office Manager – Mrs S Pinner Business Manager – Mrs E Lawrence
Registered Office	St Augustine's Catholic College Wingfield Road Trowbridge Wiltshire BA14 9EN
Company Registration Number	07736524



**Saint Augustine's Catholic College**

**Auditors**

Monahans  
Independent Auditor  
Chartered Accountants  
Clarks Mill  
Stallard Street  
Trowbridge  
Wiltshire  
BA14 8HH

**Bankers**

Lloyds TSB Bank PLC  
64 Fore Street  
Trowbridge  
BA14 8EU

Allied Irish Bank (GB)  
19 Whiteladies Road  
Clifton  
Bristol  
BS8 1PB

HSBC  
46 Fore Street  
Trowbridge  
Wiltshire  
BA14 8EL

**Solicitors**

Stone King  
13 Queens Square  
Bath  
BA1 2HJ

## **Governors' Report**

The governors present their annual report together with the audited financial statements of the Academy for the period ended 31 August 2012

For the purposes of this report the Trustees, Directors and Governors of the Academy will be henceforth referred to as 'The Governors'

## **Structure, Governance and Management**

### *Constitution*

The Academy Trust, which was incorporated on 10 August 2011 and opened as an Academy on 1 September 2011, is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy.

The Trustees are responsible for the charitable activities of Saint Augustine's Catholic College. The Directors of the Charitable Company for the purposes of Company Law are nominated by the Trustees.

Details of the Trustees, Directors and Governors who served throughout the period except as noted are included in the Reference and Administrative Details on pages 3 and 4.

### *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.

### *Governors' Indemnities*

Governors benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of trust or breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as Directors of the Academy Trust. The limit of this indemnity is £2,000,000.

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.

### *Principal Activities*

The principal activity is to advance for the public benefit by establishing, maintaining, carrying on, managing and developing a secondary school offering a broad and balanced curriculum.

The Academy's Mission Statement is to embrace the gospel values of Jesus Christ in its everyday life and work. It is a learning community which seeks the highest standards of excellence whilst remaining committed to valuing each individual and their gifts. Our aim is to help each person achieve their potential and become equipped for an adult life of service to others.

The principal activity of the Academy is to provide free Catholic education for students of different abilities between the ages of 11 and 18 within the College's designated area as identified by the Diocese, with an emphasis on Technology and Sport.

## Governors' Report (continued)

### Method of Recruitment and Appointment or Election of Governors

On the 1 September 2011 the Trustees appointed all those Governors that served the 'predecessor' College to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term, at the 'predecessor' College would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Governing Body comprises the Head Teacher, 3 Parent Governors, up to 3 Staff Governors (providing that the total number of Governors, including the Head Teacher, who are employees of the Academy Trust, does not exceed one third of the total number of Governors) and up to 11 other Governors.

The Academy Trust shall have the following Governors as set out in its Articles of Association and funding agreement:

- up to 10 Foundation Governors who are appointed by the Diocese
- up to 1 LA Governor who is appointed by the Local Authority
- up to 3 Parent Governors who are elected by parents of registered students at the Academy
- up to 3 staff Governors who are elected by staff at the Academy
- the Head Teacher who is treated for all purposes as being an ex officio Governor

Governors are appointed for a four year period, except that this time limit does not apply to the Head Teacher. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected.

### Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

### Organisational Structure

The Board of Governors normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 8 committees as follows,

- **Finance and Premises Committee** - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. This Committee also reviews and evaluates the premises needs and upkeep. This encompasses capital expenditure including restricted grants. It also incorporates the role of an audit committee.
- **Curriculum Development Committee** - this meets at least once every two terms (in a six term year) to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and school trips.
- **Admissions Committee** which meets in January to discuss the applications received for the following September and then as required to deal with applications for admission throughout the academic year. They also meet to administer the appeal process.
- **Pastoral Committee** which meets at least once every two terms (in a six term year) to deal with all pastoral issues and policies.



**Governors' Report (continued)**

- **Staffing Committee** which meets as required to deal with all staffing issues including salaries, contracts, discipline and policies
- **Staff Dismissal Appeals Committee** which meets as required to deal with any dismissal appeals from staff
- **Student Discipline Committee** which meets as required to hear issues of a serious disciplinary nature against students
- **Interview Panel** which meets as required

The following decisions are reserved to the Board of Governors, to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Head Teacher and Clerk to the Governors, to approve the Annual College Improvement Plan and budget

The Governors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments

The Trustees and Board of Governors have devolved responsibility for day to day management of the Academy to the Head Teacher and Senior Leadership Team (SLT) The SLT comprises the Head Teacher, Deputy Heads, Assistant Heads, Business Manager and Office Manager The SLT implements the policies laid down by the Governors and report back to them on performance

The SLT controls the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them The Head Teacher, Business Manager and Finance & Premises Committee are responsible for the authorisation of spending within agreed budgets, a summary of this is in the Scheme of Delegation Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation The Head Teacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Governor

The Head Teacher is the Accounting Officer

**Risk Management**

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances

The Governors have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety and trips) and in relation to the control of finance They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk Where significant financial risk still remains they have ensured they have adequate insurance cover

The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control

The Academy has undertaken a full review of the main areas of risks which it faces This includes all health and safety and child protection policies and procedures In addition a review of all financial risks is undertaken on a regular basis

The Academy has a formal risk management process to assess business risks and to implement risk management strategies This process involves identifying the types of risk the Academy faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks A Risk Register is maintained and reviewed on a regular basis

**Connected Organisations, including Related Party Relationships**

The St Augustine's Charitable Trust is a related party as Mr Stevenson, Governor of the Academy is also a Trustee of The Charitable Trust The transactions with The Charitable Trust are undertaken at arm's length and are disclosed in these financial statements

## **Saint Augustine's Catholic College**

### **Governors' Report (continued)**

St Augustine's Enterprises Limited is a limited company operated by the Academy Mr Stevenson is a Company Director together with Mr J Alsop Mr Alsop is the Company Secretary

The Academy has strong collaborative links with the West Wilts Alliance, Trowbridge Area Schools Collaboration, Wiltshire Catholic Partnership and the Diocesan Secondary Catholic Partnership which form part of the Learning Community

### **Objectives and Activities**

#### Objects and Aims

The principal activity is to advance for the public benefit by establishing, maintaining, carrying on, managing and developing a secondary school offering a broad and balanced curriculum

The principal object and activity of the Charitable Company is the operation of St Augustine's Catholic College to provide free Catholic education for students of different abilities between the ages of 11 and 18 within the College's designated area as identified by the Diocese, with an emphasis on Technology and Sport

The aims of the Academy during the period ended 31 August 2012 are summarised below

- to provide for the Catholic formation of its students
- to provide a safe and secure environment for students
- to continue to raise the standard of educational attainment and achievement of all students
- to provide a broad and balanced curriculum, including extra curricular activities
- to develop students as more effective learners
- to develop the Academy site so that it enables students to achieve their full potential
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- to maximise the number of students who achieve 5 A\* - C GCSE grades including English and Maths
- to provide value for money for the funds expended
- to develop greater coherence, clarity and effectiveness in school systems
- to comply with all appropriate statutory and curriculum requirements
- to maintain close links with industry and commerce
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

At St Augustine's Catholic College we aim to get the best for, and from, each child We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values Our Academy is a community in which children, staff and parents should be part of a happy and caring environment

#### Objectives, Strategies and Activities

Key priorities for the year are contained in our College Improvement Plan which is available from the main office

Key activities and targets were identified in the College Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status

#### 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 Charity Commissioner's general guidance on public benefit in exercising their powers or duties They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities

**Governors' Report (continued)**

The Academy aims to advance for the public benefit, education in the designated area as identified by the Diocese. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and develop schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialisms of Technology and Sport.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As an Academy we have a duty to support our feeder schools through the Wiltshire Catholic Partnership.

**Achievements and Performance**

St Augustine's Catholic College offers a safe and happy environment, where the uniqueness of the individual is cherished and all students are challenged to achieve their best. We believe that discipline, structure and common purpose are solid foundations in life and education. We have excellent facilities and resources and our focus on teaching and learning is reflected in our consistently outstanding examination results. We believe that the promotion of the human person is the goal of education and as such seek to open the hearts and minds of our community to see God, to celebrate and live out the vision of the Gospel. Our purpose is to guide each student's spiritual, moral, social and cultural development enabling them to grow in the knowledge that they are of infinite worth as a child of God.

St Augustine's Catholic College is a mixed sex 11-19 Academy located in Wiltshire under the Trusteeship of the Roman Catholic Diocese of Clifton with 971 (774 Yrs 7-11) students on roll (September 2012). A new Head Teacher was appointed in September 2011, previously in the post as the Deputy Head. The College became an Academy in August 2011. Since 1998, the College has been a Technology College and in 2006 added Sport as a second specialism.

Numbers on roll are rising and the College is oversubscribed in all year groups. The majority of students live in West Wiltshire but the denominational nature of the College accounts for those students living outside of West Wiltshire. The majority of students reside in areas which are not considered to be deprived. The social deprivation indicator is below the national average. The College is predominantly White British however there is an increasing number (still significantly below the national average) of students from minority ethnic groups, mainly, Poland, Portugal, the Philippine Islands and African states. It is important to note that our feeder primary school in Trowbridge has significantly increased EM students with approximately 50% EM in the 2012 reception class and so this pattern is expected to continue.

The figure for EAL in 2012 is 9.06% which is significantly lower than the national average but is none the less increasing year on year (2009 3.8%, 2010 4.7%, 2011 5.5% and 2012 9.06%) and at a faster rate than the national average.

The number of students accessing free school meals and students with a statement of SEN or school action plus is below the national average.

The prior attainment of our students is slightly above the national average on entry (in 2011 APS Yrs 7-11 combined was 28.7% compared with the national average of 27.9%).

Applications for free school meals are lower than might be expected and this negatively impacts funding streams (YPSS devolved money) when compared with formulas that model funding using deprivation indices rather than FSM.

The whole college ratio of girls to boys is 72g 66b but deeper analysis reveals that our current lower school (Yrs 7-9) have a ratio of 74g 79b compared with the upper school Yrs 10-11 of 83g 75b. We have two LAC in Yrs 11 and 9.

Attendance at the College is excellent. Following the restructuring of the Pastoral team and the introduction of a parent text service we have improved our overall attendance figures (2010/11 = 93.34%, 2011/12 = 94.66%).

The College forms part of a number of networks and partnerships. The Catholic nature of the College means we have close links with other Catholic schools in the Clifton Diocese as well as nationally and internationally through the Lasallian network of schools. The 20 Trowbridge Junior and Secondary schools co-operate as part of the Trowbridge Collaborative Schools (TCS) partnership with regard to extended services, teaching and learning and leadership and management. We are also a member of the West Wiltshire Alliance (a federation of the 7 secondary schools in West Wiltshire and Wiltshire FE College) which collaborates in a wide range of fields including curriculum, teaching, emerging technologies, IAG and professional development.

**Governors' Report (continued)**

Our awards include High Performing Specialist School, Leading Edge School, Artsmark Gold, Sportsmark Gold, Healthy Schools and Investors in People

At the last inspection in 2007, the College was graded as Outstanding for overall effectiveness, and good for the 6th form OFSTED inspected the literacy and numeracy provision in June 2008 which was also graded as Outstanding

The College has undergone a new build during the financial year. This building will provide a lecture theatre for sixth form studies and a general hall to be used as a study area for the sixth form students. The build was partially completed by the end of the financial year with a provisional completion date of November 2012.

*Going Concern*

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

*Key Performance Indicators*

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention as the amount of carry forward is restricted. In period under review, £162k was carried forward representing 3.4% of GAG.

The other main indicator is the number of students on the College roll book. The College is oversubscribed and this is set to continue.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2012 this was 80%, compared to 84% in 2011 (for the Local Authority Maintained Accounts).

**Financial Review**

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2012 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and these are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

The balance of the former College's budget share of £204,898 was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 27 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

*Financial and Risk Management Objectives and Policies*

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Governors and include the financial risks to the Academy. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Governors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

**Governors' Report (continued)**

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Governors examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Governors' and Finance Committee meetings. The Governors also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the period end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

*Principal Risks and Uncertainties*

The principal risks and uncertainties facing the Academy are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the EFA. In the last period 92% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Academy is dependant on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing** - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

**Catholicity** – a reduction in the number of Catholic students, partly caused by the removal of denominational transport could impact on the support given by the Diocese.

**Ethnicity** – an increase in the number of non-nationals could be affected by a government change of policy leading to economic migration.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated annually.

*Reserves Policy*

The Governors have determined that the appropriate level of reserves should be approximately £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £335,000.

## **Saint Augustine's Catholic College**

### **Governors' Report (continued)**

The Governors have reviewed the future plans of the Academy. Included within the restricted fixed asset fund is an amount of £320,000 towards the construction of the new building funded from Devolved Formula Capital Grant brought forward from Maintained Accounts, Academy Capital Grant awarded in June 2012 and a small proportion of the GAG funding. This project will be completed by the 30 November 2012. The total spend is budgeted as £423,000.

#### Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

#### **Plans for Future Periods**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our College Improvement Plan, a summary of which is available on our website or from the Clerk to the Governors.

Future capital bids will continue to be submitted as the College strives to provide an outstanding Catholic education.

#### **Funds held as Custodian Trustee on behalf of others**

The College is supported by the St Augustine's Charitable Trust which provides funding for non-publicly funded amenities and resources.

The College received money within the School Fund for fund raising activities and a small proportion of these funds were held awaiting verification of payment at the year end.

#### **Auditor**

In so far as the governors are aware:

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

The auditors, Monahans Chartered Accountants, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Governing Body on 7 Dec 2012 and signed on its behalf by



**Mr M Stevenson**  
**Chair of Governors**

## Saint Augustine's Catholic College

### Governance Statement

#### Scope of Responsibility

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

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

#### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' responsibilities. The Governing Body has formally met six times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr Alsop (Head Teacher & Accounting Officer)	6	6
Mr Bates (new appointment September 2011)	5	6
Mr A Burholt (new appointment December 2011)	4	4
Mrs W Carruthers	6	6
Mrs L Chappell	6	6
Fr J-P Coulon	5	6
Mrs L Duncan	6	6
Mr D Greenwood	5	6
Mr S Gurr (appointed September 2012)	n/a	n/a
Mrs C Hanlon	5	6
Mr P Hayball (resigned November 2011)	2	2
Mrs A Howard	5	6
Mrs C Hulland (resigned August 2012)	6	6
Mr J Knight	4	6
Canon Liam O'Driscoll	4	6
Mrs J Polledri	4	6
Mr M Stevenson	6	6
Mr V Thomas	4	6
Mrs H Ward	3	6
Mr F White	5	6

The Finance and Premises Committee is a committee of the main Governing Body. Its purpose is to be responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.

Governor	Meetings attended	Out of a possible
Mr Alsop	6	6
Mr Bates	6	6
Mr Burholt (came on to committee May 2011)	1	2
Mrs Chappell	5	6
Mr Greenwood	6	6
Mrs Ward	6	6

**Governance Statement (continued)**

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Augustine's Catholic Academy for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**The Risk and Control Framework**

The Academy 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 Governing Body,
- regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties,
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Wiltshire Council as the Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

**Review of Effectiveness**

The RO function has been delivered in line with the EFA's requirements.

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

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self-assessment process,
- the work of the managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.



**Saint Augustine's Catholic College**

**Governance Statement (continued)**

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 Premises 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 Governing Body on 7 Dec 2012 and signed on its behalf by

Mr M Stevenson  
Chair of Governors

  
Mr J Alsop  
Accounting Officer

## **Saint Augustine's Catholic College**

### **Statement on Regularity, Propriety and Compliance**

As accounting officer of Saint Augustine's Catholic College I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency (EFA) 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust governing body 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.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

  
.....  
Mr J Alsop  
Accounting Officer

## **Statement of Governors' Responsibilities**

The governors (who act as trustees for charitable activities and are also directors of Saint Augustine's Catholic College for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency

Company law requires the governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the academy and of the incoming resources and application of resources, including the income and expenditure, of the academy for the year. In preparing these financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in operation

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy 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 academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

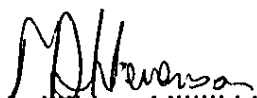
The governors are responsible for ensuring that in its conduct and operation the academy applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Young People's Learning Agency, Education Funding Agency and Department for Education have been applied for the purposes intended.

In so far as the governors are aware

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

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

Approved by order of the members of the Governing Body on 7 DEC 2012 and signed on its behalf by



**Mr M Stevenson**  
**Chair of Governors**

**Independent Auditor's Report to the Members of Saint Augustine's Catholic College**

We have audited the financial statements of Saint Augustine's Catholic College for the period ended 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members 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 trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of governors and auditor**

As explained more fully in the Statement of Governors' Responsibilities set out on page 17, the governors (who are also the directors of the academy trust 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 (APB'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 trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Saint Augustine's Catholic College**

**Independent Auditor's Report to the Members of Saint Augustine's Catholic College (continued)**

**Matters on which we are required to report by exception**

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

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



11 December 2012

**Linda Boss**  
**Senior Statutory Auditor**  
For and on behalf of Monahans, Statutory Auditor  
Chartered Accountants  
Clarks Mill  
Stallard Street  
Trowbridge  
BA14 8HH

## **Saint Augustine's Catholic College**

### **Independent Reporting Accountant's Assurance Report on Regularity to Saint Augustine's Catholic College and the Education Funding Agency**

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Saint Augustine's Catholic College during the period 1 September 2011 to 31 August 2012 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 Saint Augustine's Catholic College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Saint Augustine's Catholic College 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 Saint Augustine's Catholic College and the EFA, for our work, for this report, or for the conclusion we have formed

#### **Respective responsibilities Saint Augustine's Catholic College's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Saint Augustine's Catholic College's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook as published by DfES in 2006, 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 2011/12. 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 period 1 September 2011 to 31 August 2012 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 2011/12 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 trust's income and expenditure

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 period 1 September 2011 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



.....  
**Monahans Chartered Accountants**  
Clarks Mill  
Stallard Street  
Trowbridge  
BA14 8HH

11 December 2012

**Statement of Financial Activities for the period ended 31 August 2012**  
**(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2012 £000
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	3	1	-	-	1
Transfer from local authority on conversion	29	249	(408)	3,551	3,392
Activities for generating funds	4	319	19	-	338
Investment income	5	2	-	-	2
<i>Incoming resources from charitable activities</i>					
Funding for the Academy's educational operations	6	10	4,878	47	4,935
<b>Total incoming resources</b>		<b>581</b>	<b>4,489</b>	<b>3,598</b>	<b>8,668</b>
<b>Resources expended</b>					
<i>Cost of generating funds</i>					
Fundraising trading		246	19	-	265
<i>Charitable activities</i>					
Academy's educational operations	8	-	4,479	61	4,540
Governance costs	9	-	63	-	63
<b>Total resources expended</b>	7	<b>246</b>	<b>4,561</b>	<b>61</b>	<b>4,868</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>335</b>	<b>(72)</b>	<b>3,537</b>	<b>3,800</b>
Gross transfers between funds	17	-	(142)	142	-
<b>Net income/(expenditure) for the year</b>		<b>335</b>	<b>(214)</b>	<b>3,679</b>	<b>3,800</b>
<b>Other recognised gains and losses</b>					
Actuarial (losses)/gains on defined benefit pension schemes	17, 27	-	(156)	-	(156)
<b>Net movement in funds</b>		<b>335</b>	<b>(370)</b>	<b>3,679</b>	<b>3,644</b>
<b>Reconciliation of funds</b>					
Funds brought forward	17	-	-	-	-
<b>Funds carried forward at 31 August 2012</b>		<b>335</b>	<b>(370)</b>	<b>3,679</b>	<b>3,644</b>

All of the Academy's activities derive from acquisitions in the current financial period

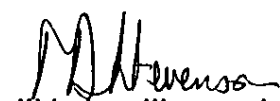
A statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

# **Saint Augustine's Catholic College**

## **Balance sheet as at 31 August 2012**

	Notes	2012 £000	2012 £000
<b>Fixed assets</b>			
Tangible assets	13		3,549
<b>Current assets</b>			
Stock	14	19	
Debtors	15	56	
Cash at bank and in hand		742	
		<u>817</u>	
<b>Creditors</b> Amounts falling due within one year	16	<u>(173)</u>	
<b>Net current assets</b>			644
<b>Total assets less current liabilities</b>			<u>4,193</u>
<b>Net assets excluding pension liability</b>			
Pension scheme liability	27		(549)
<b>Net assets including pension liability</b>			<u>3,644</u>
<b>Funds of the academy:</b>			
<b>Restricted funds</b>			
Fixed asset funds	17		3,679
General funds	17		179
Pension reserve	17		<u>(549)</u>
<b>Total restricted funds</b>			<u>3,309</u>
<b>Unrestricted funds</b>	17		335
<b>Total funds</b>			<u>3,644</u>

The financial statements on pages 21 to 41 were approved by the Governors, and authorised for issue on 1 DGC 2012 and are signed on their behalf by



**Mr M Stevenson**  
**Chair of Governors**

Company Limited by Guarantee  
Registration Number 07736524



**Saint Augustine's Catholic College**

**Cash Flow Statement for the period ended 31 August 2012**

	Notes	2012 £000
<b>Net cash inflow from operating activities</b>	21	276
Returns on investments and servicing of finance	22	2
Capital expenditure	23	(207)
Cash transferred on conversion to an academy trust	29	671
<b>(Decrease)/Increase in cash in the year</b>	24	<u>742</u>
<b>Reconciliation of net cash flow to movement in net funds</b>		
<b>Net funds at 31 August 2012</b>		<u>742</u>

All of the cash flows are derived from acquisitions in the current financial period

Notes to the Financial Statements for the Period Ended 31 August 2012

**1 Accounting Policies**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Annual Academies Accounts Direction 2011/12 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going Concern**

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

**Incoming Resources**

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

- **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's policies.

**Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)**

**1 Accounting Policies (continued)**

**Resources Expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the Academy's educational operations.

- **Governance Costs**

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

**Conversion to an Academy**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Saint Augustine's Catholic College to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Saint Augustine's Catholic Academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 29.

**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. 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 to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

A valuation as at 31 August 2012 of the land and buildings used by the academy was carried out by Drivers Jonas Deloitte using the depreciated replacement cost method. The proportion of land and buildings owned by the academy has been recognised as a fixed asset in the balance sheet together with a credit to voluntary income in the Statement of Financial Activities. The proportion owned by the Clifton Catholic Diocesan Trustees has been disclosed in note 13 to the financial statements.

Other assets were also transferred to the academy on conversion. The value of these donated assets has been recognised as fixed assets in the balance sheet together with a corresponding credit to voluntary income in the Statement of Financial Activities.

**Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)**

**1 Accounting Policies (continued)**

**Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows

Freehold buildings	50 years straight line
General building fixtures and fittings	10 years straight line
Fixtures, fittings and equipment	5 years straight line
ICT equipment	3 years straight line
Motor Vehicles	10 years straight line

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.

**Leased Assets**

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

**Stock**

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

**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.

**Pensions Benefits**

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

**Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)**

**1 Accounting Policies (continued)**

**Pensions Benefits (continued)**

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**Fund Accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Young People's Learning Agency/Department for Education/sponsor/other funders here the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Young People's Learning Agency/Department for Education.

Designated funds represent those unrestricted funds identified by the governors as relating to specific purposes.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

2 General Annual Grant (GAG)

a Results and carry forward for the year

	2012 £000
GAG allocation for current year	4,750
<b>Total GAG available to spend</b>	<b>4,750</b>
Recurrent expenditure from GAG	(4,446)
Fixed assets purchased from GAG	(142)
<b>GAG carried forward to next year</b>	<b>162</b>
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(570)
<b>GAG to surrender to DfE</b>	<b>-</b>
(12% rule breached if result is positive)	No Breach

3 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000
Other donations	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>

4 Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000
Catering income	129	-	129
Hire of facilities	18	-	18
Exam fee income	20	-	20
Fundraising income	4	-	4
Parental contribution to trips	80	-	80
Other income	68	19	87
	<u>319</u>	<u>19</u>	<u>338</u>

5 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000
Short term deposits	2	-	2
	<u>2</u>	<u>-</u>	<u>2</u>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

6 Funding for Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000
<b>DfE/YPLA/EFA revenue grants</b>			
General Annual Grant (GAG) (note 2)	-	4,750	4,750
Start Up Grants	-	20	20
Other DfE/YPLA/EFA grants	-	71	71
	<u>-</u>	<u>4,841</u>	<u>4,841</u>
<b>Other Government grants</b>			
Local authority grants	-	25	25
	<u>-</u>	<u>25</u>	<u>25</u>
<b>Other grants</b>			
Other grants	10	59	69
	<u>10</u>	<u>59</u>	<u>69</u>
	<u>10</u>	<u>4,925</u>	<u>4,935</u>

7 Resources Expended

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2012 £000
Costs of activities for generating funds	89	-	176	265
Academy's educational operations				
Direct costs	3,070	29	327	3,426
Allocated support costs	705	211	198	1,114
	<u>3,775</u>	<u>240</u>	<u>525</u>	<u>4,540</u>
Governance costs including allocated support costs	-	-	63	63
	<u>3,864</u>	<u>240</u>	<u>764</u>	<u>4,868</u>

The method used for the apportionment of support costs is disclosed in the accounting policies

2012  
£000

Incoming/outgoing resources for the year include:

Operating leases	4
Fees payable to auditor	
Audit	7
Other services	1
	<u>12</u>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

8 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000
<b>Direct costs</b>			
Teaching and educational support staff costs	-	3,070	3,070
Depreciation	-	44	44
Educational supplies	-	133	133
Examination fees	-	102	102
Staff development	-	30	30
Educational consultancy	-	18	18
Other direct costs	-	29	29
	-	3,426	3,426
<b>Allocation supported costs</b>			
Support staff costs	-	705	705
Depreciation	-	15	15
Recruitment and support	-	18	18
Maintenance of premises and equipment	-	43	43
Cleaning	-	35	35
Rent, rates and utility costs	-	108	108
Insurance	-	36	36
Security and transport	-	22	22
Catering	-	34	34
Other support costs	-	98	98
	-	1,114	1,114
	-	4,540	4,540

9 Governance Costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000
Legal and professional fees	-	53	53
Auditor's remuneration			
• Audit of financial statements	-	7	7
• Accountancy, taxation and other services	-	1	1
Responsible officer audit	-	1	1
Support staff costs	-	-	-
Governors' reimbursed expenses	-	1	1
	-	63	63



Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

10 Staff Costs

	2012 £000
Staff costs during the period were	
Wages and salaries	3,116
Social security costs	226
Pension costs	446
	<u>3,788</u>
Supply teacher costs	58
Compensation and ex gratia payments	18
	<u>3,864</u>

The average number of persons (including senior management team) employed by the Academy during the period, and the full time equivalents, was as follows

	2012 Number	2012 Full-time Equivalent
<b>Charitable Activities</b>		
Teachers	65	57
Administration and support	94	36
Management	7	7
	<u>166</u>	<u>100</u>

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

	2012
£60,001 - £70,000	<u>1</u>
	<u>1</u>

One of the above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2012, pension contributions for these staff amounted to £9,301.

11 Trustees Remuneration and Governors Expenses

No trustees received any remuneration during the period.

During the year ended 31 August 2012, travel and subsistence expenses totalling £600 were reimbursed to governors.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

12 Governors' 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 and the cost for the year ended 31 August 2012 was £1,283.

The cost of this insurance has been reclaimed from the YLPA.

13 Tangible Fixed Assets

	Freehold Land and Buildings £000	General Building Fixtures and Fittings £000	Furniture and Equipment £000	Computer Equipment £000	Motor Vehicles £000	Total £000
<b>Cost / valuation</b>						
Transfer on conversion	3,241	35	24	16	38	3,354
Additions	175	19	20	40	-	254
Disposals	-	-	-	-	-	-
At 31 August 2012	3,416	54	44	56	38	3,608
<b>Depreciation</b>						
Charged in year	33	6	7	8	5	59
At 31 August 2012	33	6	7	8	5	59
<b>Net book values</b>						
At 31 August 2012	3,383	48	37	48	33	3,549

Included within freehold land and buildings is £1,570,000 of land which is not depreciated.

The freehold land and buildings included with these financial statements represents the cost / valuation of the land and buildings owned by the Academy. The Academy also has the use of land and buildings owned by The Clifton Catholic Diocesan Trustees Registered. The value of the land and buildings owned by the Clifton Catholic Diocesan Trustees Registered, which have not been included within these financial statements, is £9,565,000.

The valuation of the land and buildings as at 31 August 2012 was carried out by Drivers Jonas Deloitte using the depreciated replacement cost basis.

14 Stock

	2012 £000
Heating Oil	11
Catering	4
Other	4
	<u>19</u>

**Saint Augustine's Catholic College**

**Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)**

**15 Debtors**

	<b>2012 £000</b>
Trade debtors	4
Prepayments	45
Other debtors	7
	<u>56</u>

**16 Creditors, amounts falling due within one year**

	<b>2012 £000</b>
Trade creditors	16
Other taxation and social security	68
Other creditors	5
Accruals and deferred income	84
	<u>173</u>

**Deferred income**

	<b>2012 £000</b>
Resources deferred in the year	4
Deferred Income at 31 August 2012	<u>4</u>

At the balance sheet date the academy trust was holding funds received in advance relating to a Bursary Grant received

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

17 Funds

	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2012 £000
<b>Restricted general funds</b>				
General Annual Grant (GAG)	4,750	(4,446)	(142)	162
Start Up Grant	20	(20)	-	-
Other DfE/YPLA/EFA grants	24	(23)	-	1
Local authority and other grants	84	(68)	-	16
Provision of SENCO support	19	(19)	-	-
	4,897	(4,576)	(142)	179
Pension reserve	(408)	15	(156)	(549)
	4,489	(4,561)	(298)	(370)
<b>Restricted fixed asset funds</b>				
DfE/YPLA/EFA capital grants	47	-	-	47
Capital expenditure from GAG	-	(38)	142	104
Assets transferred on conversion	3,551	(23)	-	3,528
	3,598	(61)	142	3,679
<b>Total restricted funds</b>	8,087	(4,622)	(156)	3,309
<b>Designated funds</b>				
School fund	152	(106)	-	46
	152	(106)	-	46
Other unrestricted funds	429	(140)	-	289
<b>Total unrestricted funds</b>	581	(246)	-	335
<b>Total funds</b>	8,668	(4,868)	(156)	3,644

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

**Restricted funds**

**General Annual Grant (GAG)** – Relates to the funding provided to the academy by the DfE and expenditure incurred by the academy spent in line with the terms of the Funding Agreement

**Start Up Grant** – This relates to a grant received to be used to contribute towards the costs of conversion to an academy

**Other DfE/YPLA/EFA grants** – Relates to additional government funding received in the year to be used on specific purposes

**Local authority and other grants** – Relates to additional funding received in the year to be used on specific purposes

**Provision of SENCO support** – Relates to the provision of SENCO support to other schools

**Pension reserve** – Relates to the academy's LPGA pension scheme liability

**DfE/YPLA/EFA capital grants** – Relates to money received to spend on capital improvements

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

17 Funds (continued)

**Assets transferred on conversion** - This relates to fixed assets and devolved formula capital grant funding transferred from the local authority on conversion

**Designated funds**

**School fund** – This is a separate fund maintained by the School through which various school trips, extra curricular activities, charitable fundraising and other items and associated costs are managed

**Transfers**

A transfer of £142,000 was made from General Annual Grant (GAG) fund to the Capital Expenditure From GAG fund to recognise fixed assets purchased from GAG

18 Analysis of net assets between funds

Fund balances at 31 August 2012 are represented by

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	3,549	3,549
Current assets	504	183	130	817
Current liabilities	(169)	(4)	-	(173)
Pension scheme liability	-	(549)	-	(549)
<b>Total net assets</b>	<b>335</b>	<b>(370)</b>	<b>3,679</b>	<b>3,644</b>

19 Capital commitments

	2012 £000
Contracted for, but not provided in the financial statements	302

20 Financial commitments

**Operating leases**

At 31 August 2012 the Academy had annual commitments under non-cancellable operating leases as follows

	2012 £000
<b>Land and buildings</b>	
Expiring within one year	-
Expiring within two and five years inclusive	-
Expiring in over five years	-
<b>Other</b>	
Expiring within one year	-
Expiring within two and five years inclusive	1
Expiring in over five years	3
	<b>4</b>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

21 Reconciliation of net income to net cash inflow from operating activities

	2012 £000
Net income	3,800
Assets transferred from local authority on conversion	(3,392)
Depreciation (note 13)	59
Capital grants from DfE/YPLA/EFA and other capital income	(47)
Interest receivable (note 5)	(2)
FRS 17 pension cost less contributions payable (note 27)	(34)
FRS 17 pension finance income (note 27)	19
(Increase)/decrease in stocks	(19)
(Increase)/decrease in debtors	(27)
Increase/(decrease) in creditors	(81)
<b>Net cash inflow from operating activities</b>	<b>276</b>

22 Returns on investments and servicing of finance

	2012 £000
Interest received	2
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>2</b>

23 Capital expenditure and financial investment

	2012 £000
Purchase of tangible fixed assets	(254)
Capital grants from DfE/YPLA/EFA	47
Capital funding received from sponsors and others	-
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(207)</b>

24 Analysis of changes in net funds

	Cash flows £000	At 31 August 2012 £000
Cash in hand and at bank	742	742
	<u>742</u>	<u>742</u>

25 Contingent Liabilities

There are no contingent liabilities which need to be included in the accounts

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

**26 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

**27 Pension and similar obligations**

The Academy'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 Wiltshire Council Both are defined-benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010

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

**Teachers' Pension Scheme**

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

The contribution rate paid into the TPS is assessed in two parts First, a standard contribution rate ("SCR") is determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions The total contribution rate payable is the sum of the SCR and the supplementary contribution rate

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004 The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 million The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

**27 Pension and similar obligations (continued)**  
**Teachers' Pension Scheme (continued)**

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

**Local Government Pension Scheme**

The academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The total contribution made for the year ended 31 August 2012 was £155,000, of which employer's contributions totalled £155,000 and employees' contributions totalled £41,000.

As described in note 1 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year/period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

**Principal Actuarial Assumptions**

	<b>At 31 August 2012</b>
Rate of increase in salaries	4.5%
Rate of increase for pensions in payment / inflation	2.2%
Discount rate for scheme liabilities	4.1%

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



Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

**27 Pension and similar obligations (continued)**  
**Local Government Pension Scheme (continued)**

	<b>At 31 August 2012</b>
<i>Retiring today</i>	
Males	21 3 yrs
Females	23 6 yrs
 <i>Retiring in 20 years</i>	
Males	24 9 yrs
Females	25 5 yrs

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

	<b>Expected return at 31 August 2012</b>	<b>Fair value at 31 August 2012 £000</b>
Equities	5.5%	1,114
Bonds	3.5%	316
Property	3.7%	183
Cash	2.8%	50
<b>Total market value of assets</b>		<b>1,663</b>
Present value of scheme liabilities		(1,114)
- Funded		(549)
<b>Surplus/(deficit) in the scheme</b>		<b>(549)</b>

The expected return on assets is based on the long term future expected investment return for each asset class

The actual return on scheme assets was £88,000

**Amounts recognised in the statement of financial activities**

	<b>2012 £000</b>
Current service cost (net of employee contributions)	121
Past service cost	-
<b>Total operating charge</b>	<b>121</b>
 <b>Analysis of pension finance income / (costs)</b>	
Expected return on pension scheme assets	53
Interest on pension liabilities	(70)
Curtailments and settlements	(2)
<b>Pension finance income / (costs)</b>	<b>(19)</b>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £156,000 loss.

Movements in the present value of defined benefit obligations were as follows

	2012 £000
<b>At 1 September</b>	1,237
Current service cost	121
Past service cost	-
Interest cost	70
Employee contributions	41
Actuarial (gain)/loss	170
Curtailments and settlements	2
Benefits paid	22
<b>At 31 August</b>	<u>1,663</u>

Movements in the fair value of Academy's share of scheme assets

	2012 £000
<b>At 1 September</b>	829
Expected return on assets	53
Actuarial gain/(loss)	14
Employer contributions	155
Employee contributions	41
Assets distributed on settlements	-
Transfer in of new members	-
Benefits paid	22
<b>At 31 August</b>	<u>1,114</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £146,000.

The five-year history of experience adjustments is as follows.

	2012 £000
<b>Present value of defined benefit obligations</b>	(1,663)
<b>Fair value of share of scheme assets</b>	1,114
<b>Surplus/(Deficit) in the scheme</b>	<u>(549)</u>
<b>Experience adjustments on share of scheme assets</b>	14
<b>Experience adjustments on scheme liabilities</b>	<u>-</u>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

28 Related Party Transactions

The only related party transactions during the year were sales of £704 to Saint Augustine's Enterprises Limited related to the recharge of photocopying and reprographic charges. These sales were on an arms length basis.

29 Conversion to an Academy Trust

On 1 September 2011 Saint Augustine's Catholic College converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Saint Augustine's Catholic College (an Academy Trust) from Wiltshire Council Local Authority for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets				
Freehold / leasehold land and buildings	-	-	3,241	3,241
Other tangible fixed assets	-	-	113	113
Budget surplus / (deficit) on LA funds	(120)	-	-	(120)
Budget surplus / (deficit) on other school funds	44	-	-	44
LGPS pension surplus / (deficit)	-	(408)	-	(408)
Borrowing obligations	-	-	-	-
Other identified assets and liabilities	325	-	197	522
<b>Net assets / (liabilities)</b>	<b>249</b>	<b>(408)</b>	<b>3,551</b>	<b>3,392</b>

The above net assets include £671,000 that was transferred as cash. Including within this is approximately £197k of capital funding brought forward.