

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015



LANDAU BAKER LIMITED

Chartered Accountants & Statutory Auditors

Mountcliff House

154 Brent Street

London

NW4 2DR

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members

Monsignor M Dickens
Monsignor Canon M Lee
C Wright¹

Trustees

C Wright, Chair of Trustees¹
T Allen, Staff Trustee
J Blumenstein (appointed 1 March 2014)¹
E Cahill, Principal & Accounting Officer
L Collyer - Hamlin
J de Quidt, Vice Chair¹
N Kasolowsky
R Murphy (appointed 20 June 2015)
Fr. G O'Brien
B Palazzolo, Staff Trustee
C Rand (appointed 1 February 2015)¹
A Stewart
F Kennedy (resigned 25 March 2015)
B Wood (resigned 17 July 2015)
P Young (resigned 25 September 2015)

¹ Members of the Resources Committee

Company registered number
7907633

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

Principal operating office
St Agathas Drive, Kingston Upon Thames, Surrey, KT2 5TY

Company secretary
C Blake

Senior management team
E Cahill, Head Teacher
B Palazzolo, Deputy Head Teacher
S Barley, Assistant Head Teacher

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

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

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an academy for pupils aged 3 to 11 serving a catchment area in Kingston. It has a pupil capacity of 502 and had 489 on roll at the time of the school census on 15 January 2015.

Structure, governance and management

a. CONSTITUTION

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

The governors act as trustees for the charitable activities of the Academy and as directors of the Charitable Company for the purposes of Company law.

Details of governors who served during the period are shown in the Reference and Administrative Details on Page 1.

b. MEMBERS' LIABILITY

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Board of Governors is appointed or elected in accordance with The Academy Trust's Articles of Association and comprises:

- The Principal (Head Teacher)
- 8 Foundation governors
- 2 Staff governors
- 2 Parent governors
- 1 Community governor

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

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

Parent Governors are elected by parents of registered pupils at the Academy and must themselves be a parent

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

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

The Community Governor is appointed by the Board of Governors of the Academy Trust. The current Community Governor, who joined the Board last year, was identified by the School Governor One Stop Shop (SGOOS) service, to fill a specific requirement that the Board of Governors had identified for a further governor with a finance background; interviewed by the Chair of Governors; and then appointed by the Board of Governors on the recommendation of the Chair of Governors.

The Board of Governors of the Academy Trust may also appoint up to two Co-opted Governors, where it identifies skills that would be useful to it and which it is not able to cover from within its own. The Board of Governors exercised this discretion during the year to appoint Nikki Short to the role of Responsible Officer.

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

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

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

The term of office for any governor shall be four years. Subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected.

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

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

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

- A list of other members of the Board of Governors along with their contact details
- Calendar of Committee Meetings for the Academic Year
- The Governors Handbook produced by the National Governors Association
- The Governors' Code of Conduct document
- The Academy Trust's Articles of Association
- The Academy Trust's policies and procedures
- The minutes from the last two meetings of the Board of Governors, and the sub-committee that they will be joining along with the Terms of Reference for those committees.

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- The Academy Trust's latest annual report and accounts and current year budget
- Our last OFSTED and Section 48 RE Inspection reports

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

All governors undertake safeguarding training and are subject to a check by the Disclose and Baring Service.

e. ORGANISATIONAL STRUCTURE

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

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

The Board of Governors has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation, and terms of reference.

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

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Related Parties are as follows:

E Cahill is a Director of the Company and also Head Teacher at the School

B Palazzolo is a Director of the Company and also Deputy Head Teacher at the School

T Allen was a Director of the Company and also a Teacher at the School during the Year, but has subsequently ceased to be a Director of the Company.

g. RISK MANAGEMENT

The governors have assessed the major risks to which St Agatha's Catholic Primary School is exposed, in particular those relating to the provision of teaching, facilities and other operational areas of the school, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips and in relation to the control of finance). They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors) 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 control and this is explained in more detail in the statement of internal control.

h. TRUSTEES' INDEMNITIES

Subject to the provisions of the Companies Act, every governor or other officer of the charitable company shall be indemnified out of the assets of the charitable company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are

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acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charitable Company.

Objectives and Activities

a. OBJECTS AND AIMS

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

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

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

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

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

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

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

- Active Citizens
- Prepared for their next stage in education
- Happy, healthy and safe
- Caring individuals
- Responsible learners

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

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

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can progress with high self-esteem.

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

- Developing teaching and learning whilst implementing a new marking policy.
- Review and develop its curriculum provision to enhance creativity and engagement.
- The accountability of the academy will be strengthened by the development of new policies and procedures and implementation of a new self-evaluation framework.

In achieving its objectives the Academy will develop children who:

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

c. PUBLIC BENEFIT

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

As an academy we make the best use of our skills, expertise and experience with regards to the community. An example of this is raising money for local, national and international charities

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Achievements and performance

a. ACHIEVEMENTS AND PERFORMANCE

- The Academy received an Ofsted Inspection in June 2014 and was judged to be GOOD in all areas.
- The Academy received a S. 48 Religious Education Inspection in September 2014 and was judged GOOD in all areas.
- The Academy holds the Quality Mark for Science (awarded June 2014), and for Physical Education (awarded July 2014)
- During the year, the Academy received the Quality Marks for Maths and English (both awarded November 2014)

b. KEY PERFORMANCE INDICATORS

EYFS

a) A Good Level of Development

	A Good Level of Development (GLoD)
School 2015	83%
School 2014	78%
School 2013	82%
RBK 2015	72%
National 2015	66%

Number of children eligible: 60

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a) Phonics Screening

In 2015 90% of our Year 1 students achieved expected standards (2014: 97%, 2013: 85%)

Number of children eligible: 60

KEY STAGE 1

Key Stage 1:						
KS1	Reading		Writing		Mathematics	
	Level 2+	Level 3+	Level 2+	Level 3+	Level 2+	Level 3+
School 2015	97%	55%	95%	18%	98%	50%
National 2014	90%	31%	86%	16%	92%	24%
RBK 2014	92%	40%	87%	23%	94%	35%
School 2014	93%	51%	95%	23%	98%	57%
School 3 year average	93%	51%	91%	21%	98%	50%

Number of children eligible: 60

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KEY STAGE 2

Key Stage 2 attainment and progress:							
Government Floor Targets for level 4+ in Reading, writing and Maths for 2015 was 65%							
KS2	L4+ Reading, Writing & Mathematics	Reading		Writing		Mathematics	
		Expected progress	Exceeding expected progress	Expected progress	Exceeding expected progress	Expected progress	Exceeding expected progress
School 2015	83%	94%	22%	98%	25%	80%	22%
National 2014	79%	91%	35%	93%	33%	89%	35%
School 2014	86%	95%	30%	95%	27%	84%	25%
School 3 year average	84%	93%	26%	96%	42%	84%	29%

Key Stage 2 attainment:												
KS2	Reading			Writing			SPaG			Mathematics		
	L4+	L5+	L6+	L4+	L5+	L6+	L4+	L5+	L6+	L4+	L5+	L6+
School 2015	93%	60%	0%	84%	43%	0%	86%	60%	9%	90%	52%	9%
National 2014	89%	49%	0%	85%	33%	2%	76%	52%	4%	86%	42%	9%
School 2014	95%	64%	0%	92%	51%	5%	78%	66%	0%	86%	53%	14%
School 3 year average	94%	62%	0%	88%	47%	2%	82%	57%	3%	87%	51%	11%

Number of children eligible: 58

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School Absence Data

Attendance was good at 96.4% for 2014/15. There were 2 fixed term exclusions during 2014-15.

Absence Data:

	2013/14	2014/15
Authorised	2.8%	3%
Unauthorised	0.3%	0.5%

c. GOING CONCERN

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

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Almost all of Academy Trust's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015, and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year, the Trustees were successful in securing further discretionary capital funding from the EFA's Academies Capital Maintenance Fund (ACMF) to repair the school's roof. In accordance with the Charities Statement of Recommended Practice, Accounting for Charities (SORP 2005) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

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

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

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

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b. RESERVES POLICY

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

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

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

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

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

Total Reserves, excluding Fixed Asset Funds and our liability under the LGPS, stood at £126,299 as at 31 August 2015, being £71,023 of Unrestricted Funds and £55,276 of Restricted Funds.

The Trustees have agreed to ring fence £20,000 worth of reserves to 'self-insure' for Long Term Sickness and Absence of employees, leaving a balance of £106,299 of general reserves.

c. INVESTMENTS POLICY

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

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

d. PRINCIPAL RISKS AND UNCERTAINTIES

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

The Trustees consider the greatest risk to the longer term success of the Academy to be the continuing reduction in funding from the EFA following the decision of the Department for Education to make Academies

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

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

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

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

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

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

Plans for future periods

a. FINANCIAL

The Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan, for which we will be applying for capital grants from the Academies Capital Maintenance Fund. Over the coming year priority will be given to improved water pressure, replacement of boilers and re-development of the caretaker's flat as a teaching space to improve provision for SEN children.

a. PUPIL ACHIEVEMENT

a) Early Years Foundation Stage

Key priorities are to:

- Close gaps in achievement of identified groups of children by providing intervention and support; and
- Ensure there is a consistent approach to marking in the EYFS.

b) Key Stage 1

Key priorities are to:

- Investigate higher attaining children's outcomes in writing and science; and
- Ensure there is a consistent approach to marking in KS1.

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c) Key Stage 2

Key priorities are to:

- Improve the number of children making sufficient progress in mathematics;
- Ensure more Children make three levels of progress;
- Close the gap between Boys and Girls attainment; and
- Ensure there is a consistent approach to marking in KS2

b. THE QUALITY OF TEACHING

Key priorities are to:

- Increase the number of consistently "good" teachers and move more "good" teachers to "outstanding";
- Improve marking and oral feedback to pupils;
- Review coverage in Maths; and
- Provide greater challenge to higher attaining pupils

c. BEHAVIOUR & SAFETY OF PUPILS AT THE SCHOOL

The key priority is to evaluate any trends in incidents of bullying and racism.

d. QUALITY OF LEADERSHIP AND MANAGEMENT

The key priorities are to:

- Further develop the middle leaders' roles to impact further on outcomes for all pupils.
- Develop an assessment system following 'Life after Levels'.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

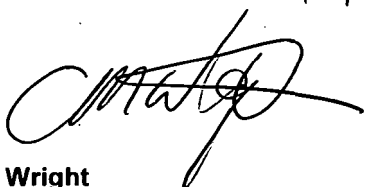
The Academy Trust and/or its trustees did not act as custodian trustee during the current or previous period.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

This trustees' report incorporating a Strategic Report was approved by order of the board of trustees, as the company directors on 3/12/15 and signed on the board's behalf by:



C Wright
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees we acknowledge we have overall responsibility for ensuring that the 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 the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Agatha's Catholic Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

Board of Governors

The Governorsboard of trustees formally met 4 times during the year and attendance during the year at meetings board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Wright, Chair of Trustees	4	4
T Allen, Staff Trustee	4	4
J Blumenstein	3	4
E Cahill, Principal & Accounting Officer	4	4
L Collyer - Hamlin	3	4
J de Quidt, Vice Chair	4	4
N Kasolowsky	3	4
R Murphy	0	0
Fr. G O'Brien	3	4
B Palazzolo, Staff Trustee	2	2
C Rand	1	2
A Stewart	3	4
F Kennedy	3	3
B Wood	3	4
P Young	1	1

C Wright was elected Chair of Governors and J de Quidt was elected Vice Chair of Governors at the meeting of the Board of Governors on 25 September 2014, and both held their respective roles throughout the year.

P Young resigned at the meeting of the Board of Governors on 25 September 2014, having completed her four year term of office as a Parent Governor and was succeeded by Colin Rand on 1 February 2015; F Williams resigned as our other Parent Governor on 27 March 2015 and was succeeded by Rebecca Murphy on 20 June 2015.

Ben Wood resigned as a Foundation Governor on 17 July 2015 as a result of his relocation out of the area and this position remained vacant as at 31 August 2015.

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

Governance reviews:

The Board of Governors reviews its effectiveness on a regular basis including self-appraisal by way of an annual

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GOVERNANCE STATEMENT (continued)

questionnaire. The Company Secretary maintains a list of Governor's skills and experience, which is updated for new Governors as they join, and existing Governors on an annual basis and this is used by the Chair of Governors and Company Secretary when recruiting for new Foundation and Community Governors.

As at the date of this report, the Board of Governors has a vacancy for 2 Foundation Governors; albeit candidates have been identified and are awaiting approval from the Archbishop of Southwark.

Resources Committee

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

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J de Quidt (Chairman)	4	4
C Wright	3	3
E Cahill (Principal)	4	4
J Blumenstein	4	4
C Rand	1	1

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

J Blumenstein, who has a finance background and works for an international Bank in the City of London, acted as Finance Link Governor.

C Wright, immediate past Chair of the Resources Committee moved to the Curriculum and Achievement Committee towards the end of the year and was replaced on the Resources Committee by C Rand.

During the year, N Short was co-opted by the Board of Governors to undertake the role of Responsible Officer with attendance rights at the Resources Committee.

REVIEW OF VALUE FOR MONEY

As accounting officer, the Principal 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:

- **Targeted Improvement:** The trust reviewed its deployment of staff to ensure they were deployed efficiently in order to meet key objectives identified in its Institutional Development Plan.
- **Maximising Income Generation:** The trust has taken opportunities to explore and generate additional and reliable revenue streams evidenced through one successful EFA bid.
- **Reviewing Controls and Managing Risks:** The governors received monthly budget reports. Discussions and challenges of financial information at the Resources committee lead to a decision to continue investing in surplus funds in a short term deposit account in line with the Academy's Investment Policy to maximise the amount of interest the trust receives.

Future considerations regarding best value:

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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GOVERNANCE STATEMENT (continued)

- **Benchmarking:** The trust will benchmark its costs against similar organisations to identify areas for making savings.
- **Fitness for Purpose:** The trust will appraise services, contracts and the Leadership staffing structure to ensure the best mix of quality and effectiveness for the least cost.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Agatha's Catholic Primary School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has re-considered the need for a specific internal audit function and has decided to appoint Nikki Short as Responsible Officer. The Trustees re-appointed Keith Fox, a financial consultant with expertise in school accounting matters, to carry out a range of checks on the academy trust's financial systems and procedures on a termly basis, and to report his findings formally to the Responsible Officer.

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

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

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

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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GOVERNANCE STATEMENT (continued)

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

REVIEW OF EFFECTIVENESS

As accounting officer, the Principal 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 Responsible Officer and Keith Fox
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 3/12/15 and signed on its behalf, by:


C Wright
Chair of Trustees


E Cahill
Accounting Officer

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of St Agatha's Catholic Primary School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy 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 board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy'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. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.

EA Cahill

E Cahill
Accounting Officer

Date: 3/12/15

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

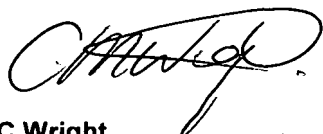
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 3/12/15 and signed on its behalf by:



C Wright
Chair of Trustees

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST AGATHA'S CATHOLIC PRIMARY SCHOOL

We have audited the financial statements of St Agatha's Catholic Primary School for the year ended 31 August 2015 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 Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 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 Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST AGATHA'S CATHOLIC PRIMARY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 3 December 2015

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

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

In accordance with the terms of our engagement letter dated 04 July 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Agatha's Catholic Primary School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of St Agatha's Catholic Primary School's funding agreement with the Secretary of State for Education dated 01 February 2012, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 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 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST AGATHA'S
CATHOLIC PRIMARY SCHOOL AND THE EDUCATION 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 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 3 December 2015

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

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	57,398	-	57,398	16,768
Activities for generating funds	3	64,233	-	-	64,233	57,241
Investment income	4	837	-	-	837	809
Incoming resources from charitable activities	5	-	1,972,315	217,650	2,189,965	2,080,512
TOTAL INCOMING RESOURCES		65,070	2,029,713	217,650	2,312,433	2,155,330
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs	6	66,873	-	-	66,873	60,424
Charitable activities		-	2,014,358	123,055	2,137,413	2,088,740
Governance costs	7	-	4,593	-	4,593	14,880
TOTAL RESOURCES EXPENDED	10	66,873	2,018,951	123,055	2,208,879	2,164,044
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		(1,803)	10,762	94,595	103,554	(8,714)

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	21	-	(44,270)	44,270	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(1,803)	(33,508)	138,865	103,554	(8,714)
Actuarial gains and losses on defined benefit pension schemes		-	(20,000)	-	(20,000)	(106,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(1,803)	(53,508)	138,865	83,554	(114,714)
<i>Total funds at 1 September 2014</i>		<i>72,826</i>	<i>(530,216)</i>	<i>8,826,823</i>	<i>8,369,433</i>	<i>8,484,147</i>
TOTAL FUNDS AT 31 AUGUST 2015		71,023	(583,724)	8,965,688	8,452,987	8,369,433

All activities relate to continuing operations.

All of the academy trust's activities derive from acquisitions in the current financial period.

The notes on pages 28 to 45 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	17		8,965,688		8,826,823
CURRENT ASSETS					
Stocks	18	2,460		1,549	
Debtors	19	76,010		80,353	
Cash at bank and in hand		241,236		213,999	
		<u>319,706</u>		<u>295,901</u>	
CREDITORS: amounts falling due within one year	20	(193,407)		(166,291)	
NET CURRENT ASSETS			126,299		129,610
TOTAL ASSETS LESS CURRENT LIABILITIES			9,091,987		8,956,433
Defined benefit pension scheme liability	26		(639,000)		(587,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>8,452,987</u>		<u>8,369,433</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	21	55,276		56,784	
Restricted fixed asset funds	21	8,965,688		8,826,823	
Restricted funds excluding pension liability		9,020,964		8,883,607	
Pension reserve		(639,000)		(587,000)	
Total restricted funds			8,381,964		8,296,607
Unrestricted funds	21		71,023		72,826
TOTAL FUNDS			<u>8,452,987</u>		<u>8,369,433</u>

The financial statements were approved by the Trustees, and authorised for issue, on 3 December 2015 and are signed on their behalf, by:


C Wright
Chair of Trustees

The notes on pages 28 to 45 form part of these financial statements.

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	23	289,157	220,762
Capital expenditure and financial investment	24	(261,920)	(148,476)
INCREASE IN CASH IN THE YEAR		<u><u>27,237</u></u>	<u><u>72,286</u></u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	<u>27,237</u>	<u>72,286</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>27,237</u>	<u>72,286</u>
Net funds at 1 September 2014	<u>213,999</u>	<u>141,713</u>
NET FUNDS AT 31 AUGUST 2015	<u><u>241,236</u></u>	<u><u>213,999</u></u>

The notes on pages 28 to 45 form part of these financial statements.

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where 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 Department for Education.

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

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

The value of donated services and gifts in kind provided to the academy are recognised at their open market 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 the academy's policies.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

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

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

ST AGATHA'S CATHOLIC PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks

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

1.9 Taxation

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

1.10 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, 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 26, 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.10 Pensions (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 the 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 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.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	-	57,398	57,398	16,768

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings Income	-	-	400
Rent from Site Manager	-	-	1,200
Income from Staff re Bike Scheme	-	-	667
School Trip Income	46,402	46,402	38,161
Swimming Income	1,435	1,435	905
School Uniform Income	11,475	11,475	11,344
Other Income	4,921	4,921	4,564
	<u>64,233</u>	<u>64,233</u>	<u>57,241</u>

4.

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	837	-	837	809

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5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational Operations	-	2,189,965	2,189,965	2,080,512

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

St Agatha's Catholic Primary School

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants			
General Annual Grant (GAG)	1,740,390	1,740,390	1,751,301
Pupil Premium	48,616	48,616	39,735
Capital Income	217,650	217,650	142,609
Other EFA Income	176,105	176,105	125,061
	<u>2,182,761</u>	<u>2,182,761</u>	<u>2,058,706</u>
Other government grants			
Other Government Grant	2,200	2,200	2,100
SEN Funding	5,004	5,004	19,706
	<u>7,204</u>	<u>7,204</u>	<u>21,806</u>
	<u>2,189,965</u>	<u>2,189,965</u>	<u>2,080,512</u>

6. COSTS OF GENERATING INCOME

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
School Trip Expenses	51,426	51,426	46,425
School Uniform Purchases	11,823	11,823	10,961
Swimming Expenses	3,078	3,078	2,359
Purchase of goods for sale	546	546	679
	<u>66,873</u>	<u>66,873</u>	<u>60,424</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

7. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	-	4,000	4,000	4,000
Governance Auditors' non audit costs	-	2,075	2,075	2,200
Governance Other Professional Charges	-	(1,482)	(1,482)	8,680
	<u>-</u>	<u>4,593</u>	<u>4,593</u>	<u>14,880</u>

8. DIRECT COSTS

	Educational Operations	Total 2015	Total 2014
Education Supplies	84,040	84,040	76,768
Staff Development	14,137	14,137	16,415
Educational Consultancy	6,955	6,955	1,628
Other Direct Costs	12,620	12,620	23,192
Staff supply costs	68,105	68,105	79,741
Technology Costs	19,587	19,587	19,111
Wages and Salaries	1,060,914	1,060,914	1,088,766
National Insurance	60,582	60,582	66,371
Pension Cost	162,243	162,243	107,794
	<u>1,489,183</u>	<u>1,489,183</u>	<u>1,479,786</u>

9. SUPPORT COSTS

	Educational Operations	Total 2015	Total 2014
Pension Finance Costs - LGPS	12,000	12,000	16,000
Depreciation	123,055	123,055	122,311
Maintenance of premises and equipment	40,893	40,893	59,305
Cleaning	30,500	30,500	9,670
Rent & Rates	15,502	15,502	13,729
Insurance	28,817	28,817	21,737
Catering	67,756	67,756	14,105
Bank interest and charges	272	272	271
Other support costs	49,700	49,700	33,084
Recruitment and support costs	500	500	-
Technology costs	3,610	3,610	4,400
Energy costs	18,770	18,770	16,033
Wages and salaries	187,260	187,260	189,760
National insurance	10,017	10,017	9,549
Pension contributions	59,578	59,578	99,000
	<u>648,230</u>	<u>648,230</u>	<u>608,954</u>

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10. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure Other costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Costs of generating funds	-	66,873	66,873	60,424
Costs of generating funds	-	66,873	66,873	60,424
Direct costs - Educational Operations	1,351,844	137,339	1,489,183	1,479,786
Support costs - Educational Operations	256,855	391,375	648,230	592,954
Charitable activities	1,608,699	528,714	2,137,413	2,072,740
Governance	-	4,593	4,593	14,880
	1,608,699	600,180	2,208,879	2,148,044

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Educational Operations	1,489,183	648,230	2,137,413	2,088,740

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets: - owned by the charity	123,055	125,241
Auditors' remuneration	4,000	4,000
Auditors' remuneration - non-audit	2,075	2,200

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13. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,248,174	1,278,526
Social security costs	70,599	75,920
Other pension costs (Note 26)	221,821	206,794
	<u>1,540,594</u>	<u>1,561,240</u>
Supply teacher costs	68,105	79,741
	<u>1,608,699</u>	<u>1,640,981</u>

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teachers	20	20
Management	2	2
Administration and Support	20	22
	<u>42</u>	<u>44</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	1	1

The above employee participated in the Teachers' Pension Scheme.

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14. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Trustees (2014 - 2) in respect of defined contribution pension schemes.

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

E Cahill (Principal and Trustee):

Remuneration £65,000 - £70,000 (2014: £65,000 - £70,000)

Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

B Palazzolo (Deputy Headteacher and Trustee):

Remuneration £40,000 - £45,000 (2014: £55,000 - £60,000)

Employer's pension contributions £nil (2014: £nil)

T Allen (Staff Trustee):

Remuneration £35,000 - £40,000 (2014: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

During the year, no Trustees received any benefits in kind (2014 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2014 - £NIL).

Other related party transactions involving the trustees are set out in note 28.

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £901 (2014 - £875). The cost of this insurance is included in the total insurance cost.

16. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	30,000	20,000
Interest on pension scheme liabilities	(42,000)	(36,000)
	<u>(12,000)</u>	<u>(16,000)</u>

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17. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Catering Equipment £	Total £
Cost					
At 1 September 2014	8,617,558	441,341	44,111	25,273	9,128,283
Additions	-	254,400	7,520	-	261,920
At 31 August 2015	8,617,558	695,741	51,631	25,273	9,390,203
Depreciation					
At 1 September 2014	206,820	57,901	23,681	13,058	301,460
Charge for the year	68,940	33,853	15,207	5,055	123,055
At 31 August 2015	275,760	91,754	38,888	18,113	424,515
Net book value					
At 31 August 2015	8,341,798	603,987	12,743	7,160	8,965,688
At 31 August 2014	8,410,738	383,440	20,430	12,215	8,826,823

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

18. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	2,460	1,549

19. DEBTORS

	2015 £	2014 £
Other debtors	31,979	21,082
Prepayments and accrued income	44,031	59,271
	76,010	80,353

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20. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	92,905	-
Other taxation and social security	24,537	27,964
Accruals and deferred income	75,965	138,327
	<u>193,407</u>	<u>166,291</u>
		£
Deferred income		
Deferred income at 1 September 2014		37,924
Resources deferred during the year		42,628
Amounts released from previous years		(37,924)
		<u>42,628</u>
Deferred income at 31 August 2015		<u>42,628</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	<u>72,826</u>	<u>65,070</u>	<u>(66,873)</u>	<u>-</u>	<u>-</u>	<u>71,023</u>
Restricted funds						
Restricted Funds - all funds	<u>56,784</u>	<u>2,029,713</u>	<u>(1,986,951)</u>	<u>(44,270)</u>	<u>-</u>	<u>55,276</u>
Pension reserve	<u>(587,000)</u>	<u>-</u>	<u>(32,000)</u>	<u>-</u>	<u>(20,000)</u>	<u>(639,000)</u>
	<u>(530,216)</u>	<u>2,029,713</u>	<u>(2,018,951)</u>	<u>(44,270)</u>	<u>(20,000)</u>	<u>(583,724)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	<u>8,826,823</u>	<u>217,650</u>	<u>(123,055)</u>	<u>44,270</u>	<u>-</u>	<u>8,965,688</u>
Total restricted funds	<u>8,296,607</u>	<u>2,247,363</u>	<u>(2,142,006)</u>	<u>-</u>	<u>(20,000)</u>	<u>8,381,964</u>
Total of funds	<u><u>8,369,433</u></u>	<u><u>2,312,433</u></u>	<u><u>(2,208,879)</u></u>	<u><u>-</u></u>	<u><u>(20,000)</u></u>	<u><u>8,452,987</u></u>

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

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

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

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

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. STATEMENT OF FUNDS

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	72,826	65,070	(66,873)	-	-	71,023
Restricted funds	(530,216)	2,029,713	(2,018,951)	(44,270)	(20,000)	(583,724)
Restricted fixed asset funds	8,826,823	217,650	(123,055)	44,270	-	8,965,688
	<u>8,369,433</u>	<u>2,312,433</u>	<u>(2,208,879)</u>	<u>-</u>	<u>(20,000)</u>	<u>8,452,987</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	8,965,688	8,965,688	8,826,823
Current assets	71,023	248,683	-	319,706	295,901
Creditors due within one year	-	(193,407)	-	(193,407)	(166,291)
Provisions for liabilities and charges	-	(639,000)	-	(639,000)	(587,000)
	<u>71,023</u>	<u>(583,724)</u>	<u>8,965,688</u>	<u>8,452,987</u>	<u>8,369,433</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	103,554	(8,714)
Depreciation of tangible fixed assets	123,055	122,311
(Increase)/decrease in stocks	(911)	468
Decrease/(increase) in debtors	4,343	(14,550)
Increase in creditors	27,116	95,247
FRS 17 adjustments	32,000	26,000
Net cash inflow from operations	<u>289,157</u>	<u>220,762</u>

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24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(261,920)</u>	<u>(148,476)</u>

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	213,999	27,237	-	241,236
Net funds	<u>213,999</u>	<u>27,237</u>	<u>-</u>	<u>241,236</u>

26. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Royal Borough of Kingston Upon Thames. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2015.

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

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and

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26. PENSION COMMITMENTS (continued)

Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to £162,243 (2014: £107,794).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £115,000 (2014: £110,000), of which employer's contributions totalled £93,000 (2014: £89,000) and employees' contributions totalled £22,000 (2014: £21,000). The agreed contribution rates for future years are 26.0% for employers and 5.5% to 7.5% for employees.

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

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,243,000)	(1,063,000)
Fair value of scheme assets	604,000	476,000
Net liability	<u>(639,000)</u>	<u>(587,000)</u>

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26. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2015 £	2014 £
Current service cost	(113,000)	(99,000)
Interest on obligation	(42,000)	(36,000)
Expected return on scheme assets	30,000	20,000
Total	<u>(125,000)</u>	<u>(115,000)</u>
Actual return on scheme assets	<u>21,000</u>	<u>43,000</u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,063,000	727,000
Current service cost	113,000	99,000
Interest cost	42,000	36,000
Contributions by scheme participants	22,000	21,000
Actuarial Losses	11,000	181,000
Benefits paid	(8,000)	(1,000)
Closing defined benefit obligation	<u>1,243,000</u>	<u>1,063,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	476,000	272,000
Expected return on assets	30,000	20,000
Actuarial gains and (losses)	(9,000)	75,000
Contributions by employer	93,000	89,000
Contributions by employees	22,000	21,000
Benefits paid	(8,000)	(1,000)
	<u>604,000</u>	<u>476,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(144,000) (2014 - £(124,000)).

The academy expects to contribute £94,000 to its Defined benefit pension scheme in 2016.

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26. PENSION COMMITMENTS (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
European equities	70.00 %	81.00 %
European bonds	25.00 %	13.00 %
Property	4.00 %	4.00 %
Cash	1.00 %	2.00 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.80 %
Rate of increase in salaries	4.50 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.5	22.5
Females	24.7	24.7
Retiring in 20 years		
Males	24.6	24.6
Females	27.0	27.0

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(1,243,000)	(1,063,000)
Scheme assets	604,000	476,000
Deficit	(639,000)	(587,000)
Experience adjustments on scheme liabilities	(11,000)	(181,000)
Experience adjustments on scheme assets	(9,000)	75,000

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

27. OPERATING LEASE COMMITMENTS

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	-	11,157
Between 2 and 5 years	<u>1,871</u>	<u>-</u>

28. RELATED PARTY TRANSACTIONS

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

Please refer to note 14 above for trustees' remuneration and expenses.

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

There were no further transactions during the period between the academy and the Archdiocese of Southwark (2014: £nil). There were no balances owing to/from the Archdiocese of Southwark at the 31 August 2015 (2014: £nil).

There were no other related party transactions during the year.