

**K<sup>en</sup>  
Catholic  
Schools  
Partnership**



**Part of the Archdiocese of Southwark**

**Annual Report and Financial  
Statements**

31 August 2014

Company Limited by Guarantee  
Registration Number  
08176019 (England and Wales)

WEDNESDAY



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## Reference and administrative information

<b>Members</b>	The Most Reverend Peter Smith Rev Monsignor Matthew Dickens Rev Monsignor Canon Martin Lee
<b>Directors (Trustees)</b>	Marieta Brennan Germaine Campbell (appointed June 2014) Re Monsignor Matthew Dickens (resigned February 2014) James Fleming (resigned December 2013) Reverend Father Philip Gilbert The Right Reverend John Hine (resigned December 2013) Dr Gehad Homsey (resigned December 2013) Rev Monsignor Canon Martin Lee John Letts Father Paul Mason Nora Naughton Michael Powis The Most Reverend Peter Smith (resigned February 2014) Timothy Stanley (resigned December 2013) Tanya Utton (resigned December 2013) Peter Ventress (appointed June 2014) Mike Walters Clive Webster
<b>Company Secretary</b>	Rev Monsignor Canon Martin Lee
<b>Senior Management Team</b>	
Chief Executive Officer	Clive Webster
Business and Finance Director	Mark Harris
<b>Registered address</b>	Barham Court Teston Maidstone Kent ME18 5BZ
<b>Company registration number</b>	08176019 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## Reference and administrative information

**Bankers**      Lloyds Bank plc  
2<sup>nd</sup> Floor  
78 New Road  
Gravesend  
Kent  
DA11 0AR

**Solicitors**      Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

## **Directors' report (including the strategic report) 31 August 2014**

The Directors of Kent Catholic Schools' Partnership ('the Partnership'), who are also the trustees for the purposes of charity law, present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Partnership, which is a multi-academy trust, operates eight primary academies and three secondary academies in Kent.

Its academies have a combined pupil capacity of 4,900 and had a roll of 4,789 in the school census in May 2014.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Kent Catholic Schools' Partnership is a company limited by guarantee and an exempt charity. The charitable company's articles of association are the primary governing document of the Partnership, with a scheme of delegation setting out the responsibilities of each academy's Local Governing Body.

The Directors of Kent Catholic Schools' Partnership are appointed by the members of the company who are also the Trustees of a Trust established by deed dated 21 October 1927 (the deed was signed by Bishop Peter Amigo and others, and the said Trust is now known as the Roman Catholic Diocese of Southwark Diocesan Trust and is registered as a charity with the Charity Commission no. 235468). They are represented as directors of the charitable company for the purposes of company law, by the Company Secretary and the Chairman of the Board. The charitable company is known as KCSP.

The Kent Catholic Schools' Partnership is a multi-academy trust (MAT) established under the Academies Act 2010, and is subject to the provisions of civil, Canon and charitable law. As a company limited by guarantee, the Partnership's structure of governance is laid down in articles of association which may only be amended with agreement of the Diocesan Trustees and application to the Secretary of State for Education. The Partnership is accountable to the Archbishop and Diocesan Trustees through its Board, which has ultimate responsibility for its management and administration

#### **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.

#### **Directors' Indemnities**

Directors benefit from an indemnity insurance with a value of £10,000,000.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Method of Recruitment and Appointment or Election of Directors**

It is the role of the members to recruit Directors. Foundation Directors are practicing Catholics and are appointed by the Archbishop of Southwark and Metropolitan on the recommendation of the Chief Executive Officer. The Academy Director post is elected from amongst qualifying Chairs of Governors of Partnership academies. The Principal Directors are elected from amongst qualifying Head Teachers from both primary and secondary academies in the Trust.

<b>Current Directors</b>	<b>Position</b>
Marieta Brennan	Foundation Director
Germaine Campbell	Foundation Director
Reverend Father Philip Gilbert	Foundation Director (Vice Chair)
Rev Monsignor Canon Martin Lee	Member Director (Foundation) Company Secretary
John Letts	Principal Director (HT) Primary (Thanet)
Father Paul Mason	Foundation Director (Chair)
Nora Naughton	Academy Director
Michael Powis	Foundation Director
Peter Ventress	Foundation Director
Mike Walters	Principal Director (HT) Secondary
Clive Webster	Partnership Director

**Policies and Procedures Adopted for the Induction and Training of Directors**

The Directors follow the key principles of the Charity Commission Code of practice and seek to ensure through the governance structure that the Board complies with its requirements.

**Organisational Structure**

During this financial year the Board of Directors had three main sub committees, the Finance and Resources Committee, the Achievement Committee and Audit Committee. The Board of Directors is responsible and accountable for the governance of the Partnership and meets four times a year. The Chief Executive is responsible for the day to day management of the Partnership.

**Connected Organisations including Related Party Relationships**

The Archdiocese of Southwark is the only connected organisation, with the Education Commission an appointed organisation of the Archbishop to fulfil his rights and responsibilities for Catholic schools.

**OBJECTIVES AND ACTIVITY**

**Objects and Aims**

The Partnership's mission is for Catholic schools across Kent to deliver outstanding spiritual, moral and learning outcomes for children and young people by collaborating as a Catholic community of academies, working together and with others, and based on excellent leadership and teaching, with Gospel values at heart.

**OBJECTIVES AND ACTIVITY (continued)**

**Objectives, Strategies and Activities**

The overarching aim of the Partnership is the preservation, protection and promotion of Catholic education as a first choice option for Catholic parents, and other parents, who value an education rooted in a strong Catholic ethos. Central to achieving this is excellence in teaching and leadership, and the attraction, retention and development of the best teachers, leaders and support staff. This in turn demands the offer of attractive career paths for all within Catholic education. Successive government policy has encouraged schools to collaborate, to take increasing control of their own destinies and to expand where there is demand and a wish to do so. In responding to this policy direction, schools working together can place themselves in a position to attract increasingly skilled staff, greater numbers of pupils, greater financial resource and, for Catholic schools, greater opportunity to bear Catholic witness. The Partnership's approach is to provide the supportive and challenging Catholic organisational framework for this to happen. Specifically it will deliver against the following ten objectives:

***Immediate objectives (from conversion to July 2015)***

1. No school in special measures, as confirmed by HMI.
2. Another secondary and two more primaries judged 'outstanding', subject to Ofsted inspection schedule.
3. Increase private sector business capacity at Board level.
4. Better value for money 'back office' services, resulting in an early financial dividend for schools.

***Medium term objectives (2015-2016)***

1. Robust school improvement challenge and support arrangements led by a high-calibre School Improvement Director.
2. All 32 schools converted to academy status.
3. Enhance business and performance knowledge, particularly across Local Governing Bodies.

***Longer term objectives (2016-2018)***

1. All 32 schools rated at least 'good' by Ofsted and exceeding national benchmarks.
2. A place for every Catholic parent seeking one.
3. Expansion of the Partnership based on a growing reputation of success and subject to Trustee agreement.

**OBJECTIVES AND ACTIVITY (continued)**

**Public Benefit**

The advent of the Partnership introduces a new locus of positive competition and collaboration into the Kent education market, providing individual schools with an alternative source of school improvement and business efficiency geared towards preserving and protecting as much of the available education resource for Catholic learning and teaching as possible.

In setting the Partnership's objectives and planning its activities, the Governing Body has given careful consideration to the Charity Commission's general guidance on public benefit.

**STRATEGIC REPORT**

**Achievements and Performance**

During the financial year the following schools converted to be academies within the Partnership.

<b>Academy/School Name</b>	<b>Conversion date</b>	<b>Phase</b>
St Joseph's Catholic Primary School, Aylesham	01 January 2014	Primary
St Simon Stock Catholic School, Maidstone	01 January 2014	Secondary
St Gregory's Catholic Comprehensive School, Tunbridge Wells	01 March 2014	Secondary
St Joseph's Catholic Primary School, Broadstairs	01 March 2014	Primary
St Anselm's Catholic School, Canterbury	01 May 2014	Secondary
St Gregory's Catholic Primary School, Margate	01 May 2014	Primary
Holy Family RCP School, Maidstone	01 June 2014	Primary
St Mary's Catholic Primary School, Deal	01 July 2014	Primary
St Simon of England RCP School, Ashford	01 July 2014	Primary
St Margaret Clitherow Catholic Primary School	01 August 2014	Primary
St Thomas' Catholic Primary School, Sevenoaks	01 August 2014	Primary



## Directors' report (including the strategic report) 31 August 2014

### STRATEGIC REPORT (continued)

#### Key Performance Indicators

##### *All KCSP Academies*

- ◆ All carry a s5 Ofsted overall judgement of at least 'good'.
- ◆ All carry a s48 Religious Education judgement of at least 'good'.

##### *Primary Academies*

##### *Targets for 2015*

L4+ Combined Score	90% (FFTD = 83%)	Stretch Target:  KCSP academies' avge 2014 = 81% National avge 2014 = 79%, LA avge 2014 = 78%
Reading: 2+ Levels of Progress	95%	KCSP academies' avge 2014 = 94% National avge 2014 = 91%, LA avge 2014 = 91%
Writing: 2+ Levels of Progress	97%	KCSP academies' avge 2014 = 96% National avge 2014 = 93%, LA avge 2014 = 93%
Maths: 2+ Levels of Progress	94%	KCSP academies' avge 2014 = 93% National avge 2014 = 89%, LA avge 2014 = 89%
Closing the Gap (L4+ Combined Score)	Less than 5 points	Narrower gap than 2013 (5 points)

## Directors' report (including the strategic report) 31 August 2014

### STRATEGIC REPORT (continued)

#### Key Performance Indicators (continued)

##### Secondary Academies

##### *Targets for 2015*

%5+ A*-C (EM)	72%	KCSP academies' avge of 6 schools 2014 = 67% National ave 2014 = 53% (provisional) LA ave 2014 = 58% (provisional)
Closing the Gap	Less than 10 points	Six %points lower than 2014
Expected Progress in English	85%	KCSP academies' avge of 6 schools 2014 = 84% National ave 2014 = 72% (provisional) LA ave 2014 = 75% (provisional)
Expected Progress in Maths	81%	KCSP academies' avge of 6 schools 2014 = 77% National ave 2014 = 66% (provisional) LA ave 2014 = 68% (provisional)
APS (Entry and Student) at A level	201 & 640	KCSP academies' avge of 6 schools 2014 = 195 & 629

#### Going Concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Partnership 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.

## **Directors' report (including the strategic report) 31 August 2014**

### **STRATEGIC REPORT (continued)**

#### **Financial Review**

The net movement on funds for the period amounted to £28,467,000 (2013: £24,000).

Excluding the funds received on conversion to academy status, the majority of the Partnership's funding was provided by the Educational Funding Agency (EFA). The Partnership's incoming resources for the year were £40,196,000 (2013: £257,000) of which £29,545,000 related to funds received on conversion (2013: £nil). £10,147,000 (2013: £nil) related to funding for educational operations and £79,000 (2013: £nil) of capital grants were received. Resources expended for the year totalled £11,382,000 (2013: £233,000).

Excluding assets and liabilities transferred in on conversion and movements on the fixed asset fund, the operational deficit for the period was £197,000 (2013: £24,000 surplus).

The Partnership held fund balances of £28,491,000 at 31 August 2014 (2013: £24,000) which included unrestricted funds of £233,000 (2013: £7,000) and restricted funds of £28,258,000 (2013: £17,000), including a deficit of £3,795,000 on the Local Government Pension Scheme (2013: £nil).

The results for the year are shown on page 22.

#### ***Reserves policy***

The policy of the directors is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the Partnership whilst ensuring that excessive funds are not accumulated. The directors are satisfied that the Partnership's reserves are sufficient for its current purposes.

The reserves as at 31 August 2014 amounted to £28,491,000 (2013: £24,000) which comprised primarily of restricted fixed asset funds. The unrestricted funds amounted to £233,000 (2013: £7,000).

The Partnership has a pension scheme liability of £3,795,000 as at 31 August 2014 (2013: £nil) which is included in the restricted reserves. The disclosure does not mean that the liability is already committed and is no longer available to the directors to further the Partnership's objectives. In the event of academy closure, outstanding Local Government Scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013 following Parliamentary approval. In the short term, the cash flow impact of having a pension scheme liability may be that employer contributions may increase in order to reduce the liability. The academies will always pay the employer contribution rates set by the pension scheme administrators.

**STRATEGIC REPORT (continued)**

**Financial Review (continued)**

***Investment policy***

The monies received by the Partnership are largely public funds provided for the education of children and young people. Consequently the directors take a conservative view on the investment of any surpluses. This takes the form of keeping such funds on deposit in interest bearing accounts. The object of this policy is to protect the funds that the Partnership holds whilst taking opportunities to maximise them where possible.

**PRINCIPLE RISKS AND UNCERTAINTIES**

The business plan identified the following risks and uncertainties for the Partnership and these were agreed at Board of Director level.

**Current Risks:**

1. Insufficient schools join the Partnership
2. Reputational risks
  - a) Significant Child Protection issue
  - b) Unable to deliver conversions within agreed timeline with KCC/DfE
  - c) School Leaders' expectations not realised
3. Financial impropriety within the MAT
4. Failure of appropriate governance oversight at a partner academy or Partnership Board level
5. Loss of key personnel
6. Academies failing to meet standards required by OFSTED
7. Failure of the Partnership as an employer in meeting its statutory policy requirements
8. Failure to attract and retain high-quality staff
9. The MAT grows too quickly to meet expectations

An action plan is being developed by the Directors to manage the Partnership's exposure to risk.

## **PLANS FOR FUTURE PERIODS**

### **Growth**

The Partnership will continue to expand in line with the Archbishop's strategic vision for all 32 voluntary aided Catholic schools in the Kent County Council area, namely, for each to convert to be an academy within the Partnership. Since January 2014, 15 schools have become academies (12 primary and 3 secondary). By March 2015, that number will grow to 19 with the addition of three more primaries and another secondary. For the remaining 13 schools, indicative dates for conversion will be agreed for between now and July 2016 taking account of the following, some or all of which applies to each school:

- ◆ An academy order has been granted but necessary legal and/or HR issues require resolution prior to conversion.
- ◆ Governors remain in the informal stage of working with the Partnership to understand the process from their perspective in order to reach an informed position.
- ◆ Significant financial and/or school effectiveness issues pertain which require resolution by the local authority.

### **Capacity**

A School Improvement Director has been appointed and will take up post full time in January 2015. A panel of school improvement advisers exists and these can be called upon by individual schools and the School Improvement Director in response to school improvement demands.

A Finance Officer has been appointed to work with the Business and Finance Director and takes up post at the end of November 2014.

The Partnership is at an advanced stage of negotiation with a view to the introduction of a bespoke management information system that compliments applications already in use in schools and which will enable the systemic gathering on data at individual, group and whole-trust levels.

Subject to realisation of growth plans for the Partnership, additional capacity is planned for the areas of data management and HR.

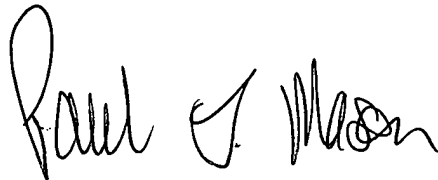
**Directors' report (including the strategic report) 31 August 2014**

**AUDITOR**

Insofar as the Directors are aware:

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

Directors' report, incorporating a strategic report, approved by order of the Board of Directors on 10/12/14 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Paul J. Mason'.

Director

(PAUL MASON)

## **Governance statement 31 August 2014**

### **Scope of responsibility**

As Directors, we acknowledge we have overall responsibility for ensuring that the Kent Catholic Schools' Partnership 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 Directors have delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Partnership and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Directors any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Directors' report and in the statement of Directors' responsibilities. The Directors have formally met 4 times during the period. Attendance during the year at meetings of the Directors was as follows:

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Marieta Brennan	4	4
Germaine Campbell (appointed 17 June 2014)	0	0
Rev Monsignor Matthew Dickens	0	2
Reverend Father Philip Gilbert	4	4
The Right Reverend John Hine (resigned 4 December 2013)	2	2
Dr Gehad Homsey (resigned 4 December 2013)	2	2
Rev Monsignor Canon Martin Lee	4	4
John Letts	4	4
Father Paul Mason (Chair) (appointed 4 December 2013)	3	3
Nora Naughton	3	4
Michael Powis	4	4
The Most Reverend Peter Smith	0	2
Tanya Utton (resigned 4 December 2013)	3	3
Peter Ventress (appointed 4 December 2013)	1	2
Mike Walters	3	3
Clive Webster	4	4

### **Governance reviews**

The Board of Directors will undertake a governance review once the Partnership is fully established in 2014/15.

## **Governance statement 31 August 2014**

### **Governance (continued)**

The Finance and Resources Committee is a sub-committee of the main Board of Directors.

Attendance at meetings in the year was as follows:

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Reverend Father Philip Gilbert	5	5
Nora Naughton	4	5
Michael Powis	5	5
Mike Walters	4	5
Clive Webster	5	5

### **Audit committee**

An Audit Committee has been set up as a sub-committee of the main Board of Directors. No meetings have taken place in the year. The inaugural meeting took place on 1 December 2014.

### **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 the Partnership's 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 at the Partnership for the period ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

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

### **The risk and control framework**

The Partnership'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:

- ♦ periodic financial reports which are reviewed and agreed by the Directors;
- ♦ regular reviews by the Directors of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;



## Governance statement 31 August 2014

- ♦ setting targets to measure financial and other performance;

### The risk and control framework (continued)

- ♦ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ♦ delegation of authority and segregation of duties;
- ♦ identification and management of risks.

The Directors have considered the need for additional internal assurance and have appointed Buzzacott LLP to provide this. This includes giving advice on financial matters and performing a range of checks on the Partnership's financial systems.

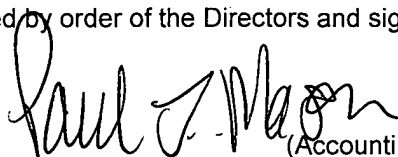
### Review of effectiveness

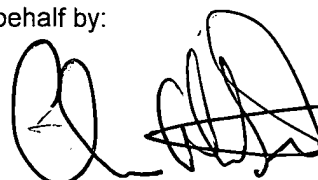
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

- ♦ the work of the external auditor;
- ♦ the findings from additional assurance checks;
- ♦ the financial management process;
- ♦ the work of the Senior Management Team within the Partnership who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Finance and Resources Committee of the implications of his review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Directors and signed on their behalf by:

(Chair)  (Accounting Officer)  
PAUL MASON  
Approved on: 10/12/14

  
CLIVE WEBSTER

**Statement of regularity, propriety and compliance 31 August 2014**

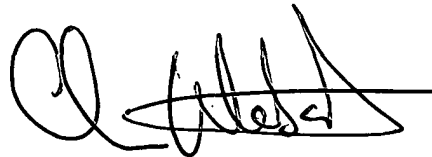
As Accounting Officer of Kent Catholic Schools' Partnership, I have considered my responsibility to notify the Partnership Board of Directors and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Partnership 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 Partnership Directors are able to identify any material irregular or improper use of funds by the Partnership, or material non-compliance with the terms and conditions of funding under the Partnership's Academy Order agreements 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 Directors and EFA.

Accounting Officer

Date: 10/12/14

A handwritten signature in black ink, appearing to read 'Clive Webster', with a large, stylized initial 'C'.

CLIVE WEBSTER

## Statement of Directors' responsibilities 31 August 2014

The Directors (who are also the trustees of the charitable company for the purposes of company law) are responsible for preparing the Directors' report and the financial statements in accordance with the Annual Accounts Requirements 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' Statement of Recommended Practice (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

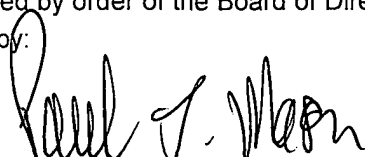
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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 Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA have been applied for the purposes intended.

The Directors are responsible for the maintenance and integrity of the charity 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 Board of Directors on 10/12/14 and signed on its behalf by:

Chair  
Date:

  
10/12/14

PAUL MASON

## **Independent auditor's report 31 August 2014**

### **Independent auditor's report on the financial statements to the members of Kent Catholic Schools' Partnership**

We have audited the financial statements of Kent Catholic Schools' Partnership for the year ended 31 August 2014 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

#### **Respective responsibilities of Directors and auditor**

The Directors act as trustees for the charitable activities of Kent Catholic Schools' Partnership and are also the directors of the charitable company for the purpose of company law.

As explained more fully in the statement of Directors' responsibilities set out in the Directors' report, including the strategic report, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report, including the strategic report, to identify material inconsistencies with the audited financial statements and to identify any information that is 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.

## **Independent auditor's report 31 August 2014**

### **Opinion**

In our opinion:

- ◆ the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006; and
- ◆ the financial statements have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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



Katharine Patel, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

18 December 2014

## **Independent accountant's assurance report 31 August 2014**

### **Independent reporting accountant's assurance report on regularity to Kent Catholic Schools' Partnership and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 29 May 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kent Catholic Schools' Partnership during the period from 1 September 2013 to 31 August 2014 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 Kent Catholic Schools' Partnership and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Kent Catholic Schools' Partnership and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Kent Catholic Schools' Partnership and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Kent Catholic Schools' Partnership's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Kent Catholic Schools' Partnership's Academy Order agreements with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2013, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2013 to 31 August 2014 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 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

## Independent accountant's assurance report 31 August 2014

### Approach (continued)

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 Kent Catholic Schools' Partnership's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of Kent Catholic Schools' Partnership's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

### 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 period from 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

18 December 2014

**Statement of financial activities (including income and expenditure account and statement of total recognised gains and losses) Year to 31 August 2014**

	Notes	Restricted funds			Year to 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
		Unrestricted general fund £'000	General £'000	Fixed assets fund £'000		
<b>Incoming resources</b>						
Incoming resources from generated funds						
. Voluntary income	1	89	6	—	95	—
. Voluntary income – transfers from Local Authority on conversion	2	—	(1,085)	30,630	29,545	—
. Activities for generating funds	3	146	94	—	240	7
Investment income	4	4	—	—	4	—
Incoming resources from charitable activities						
. Funding for the Partnership's educational operations	5	—	10,068	79	10,147	—
. Funding for the Partnership's development	5	—	165	—	165	250
<b>Total incoming resources</b>		<b>239</b>	<b>9,248</b>	<b>30,709</b>	<b>40,196</b>	<b>257</b>
<b>Resources expended</b>						
Costs of generating funds						
. Fundraising trading		13	—	—	13	—
Charitable activities						
. Partnership's educational operations	7	—	10,384	613	10,997	218
Governance costs	8	—	372	—	372	15
<b>Total resources expended</b>	6	<b>13</b>	<b>10,756</b>	<b>613</b>	<b>11,382</b>	<b>233</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>226</b>	<b>(1,508)</b>	<b>30,096</b>	<b>28,814</b>	<b>24</b>
<b>Gross transfers between funds</b>		<b>—</b>	<b>45</b>	<b>(45)</b>	<b>—</b>	<b>—</b>
<b>Net movement in funds (net income (expenditure))</b>		<b>226</b>	<b>(1,463)</b>	<b>30,051</b>	<b>28,814</b>	<b>24</b>
<b>Other recognised gains and losses</b>						
. Actuarial (losses) gains on defined pension schemes		—	(347)	—	(347)	—
<b>Net movement in funds</b>		<b>226</b>	<b>(1,810)</b>	<b>30,051</b>	<b>28,467</b>	<b>24</b>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 September 2013		7	17	—	24	—
<b>Total fund balances carried forward at 31 August 2014</b>		<b>233</b>	<b>(1,793)</b>	<b>30,051</b>	<b>28,491</b>	<b>24</b>

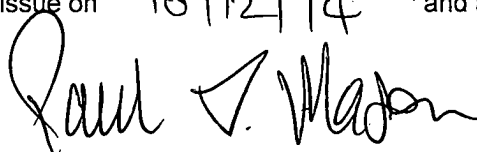
All of the Partnership's activities derived from continuing operations during the above two financial periods.



# **Balance sheet** 31 August 2014

	Notes	2014 £'000	2014 £'000	2013 £'000	2013 £'000
<b>Fixed assets</b>					
Tangible assets	13		<u>30,051</u>		<u>—</u>
<b>Current assets</b>					
Debtors	14	881		13	
Stock	15	10		—	
Cash at bank and in hand		<u>3,007</u>		<u>118</u>	
		<b>3,898</b>		<b>131</b>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	<u>(1,663)</u>		<u>(107)</u>	
<b>Net current assets</b>			<u>2,235</u>		<u>24</u>
<b>Net assets excluding pension liability</b>			<b>32,286</b>		<b>24</b>
Pension scheme liability	25		<u>(3,795)</u>		<u>—</u>
<b>Net assets including pension liability</b>			<u><b>28,491</b></u>		<u><b>24</b></u>
<b>Funds</b>					
Restricted funds					
. General fund	17		2,002		17
. Pension reserve	17		<u>(3,795)</u>		<u>—</u>
			<u>(1,793)</u>		<u>17</u>
. Fixed Asset fund	17		<u>30,051</u>		<u>—</u>
<b>Total restricted funds</b>			<u><b>28,258</b></u>		<u><b>17</b></u>
Unrestricted funds					
. General fund			233		7
<b>Total funds</b>			<u><b>28,491</b></u>		<u><b>24</b></u>

The financial statements on page 22 to 56 were approved by the Directors, and authorised for issue on 10/12/14 and are signed on their behalf by:



(PAUL MASON)

Kent Catholic Schools' Partnership

Company Limited by Guarantee

Registration Number: 08176019 (England and Wales)

## Cash flow statement 31 August 2014

	Notes	2014 £'000	2013 £'000
Net cash inflow from operating activities	20	2,840	118
Returns on investment and servicing of finance	21	4	—
Capital income	22	45	—
Increase in cash in the year	23	2,889	118
Reconciliation of net cash flow to movement in net funds:			
Net funds at 1 September 2013		118	—
Net funds at 31 August 2014		3,007	118

## **Principal accounting policies 31 August 2014**

### **Basis of preparation**

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

### **Conversion to Academy Trusts**

The conversion of schools to academy trusts involved the transfer of identifiable assets and liabilities and the operation of the schools for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from the local authority school to the academy trust have been valued at their fair value being a reasonable estimate of the current market value that the Directors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for the Partnership. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the statement of financial activities and analysed under restricted general funds and restricted fixed asset funds. Further details of the transactions are set out in notes 2 and 27 of the financial statements.

### **Going concern**

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

### **Incoming resources**

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

### **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year 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.

## **Principal accounting policies 31 August 2014**

### ***Incoming resources (continued)***

#### ***Grants receivable (continued)***

The 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.

#### ***Donations***

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

#### ***Other income***

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the goods have been provided or on completion of the service.

#### ***Sponsorship income***

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

#### ***Resources expended***

All expenditure is recognised in the year in which a liability is incurred and has been classified under headings that aggregate all costs related to that category.

#### ***Costs of generating funds***

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

#### ***Charitable activities***

These are costs incurred on the Partnership's school development and educational operations.

#### ***Governance costs***

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

All resources expended are stated net of recoverable VAT.

## **Principal accounting policies 31 August 2014**

### **Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write off the cost of each asset on a straightline basis.

◆ Leasehold buildings	50 years
◆ Furniture and equipment	3 years
◆ Computer equipment	3 years

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

Fixed assets have been valued at EFA valuation, where available, and at 40% of insurance valuation where EFA valuation is not available.

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Partnership's depreciation policy.

### **Leased assets**

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

### **Stock**

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

### **Taxation**

The Partnership 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 Partnership is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Partnership 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 25, the TPS is a multi employer scheme and the Partnership 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.

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

## **Principal accounting policies 31 August 2014**

### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the *Education Funding Agency, Department for Education* or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education Funding Agency, and other bodies, including the Local Authority, Kent County Council.

## Notes to the Financial Statements 31 August 2014

### 1 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
<b>Other income</b>					
Donations	—	6	—	6	—
Other income	89	—	—	89	—
	<u>89</u>	<u>6</u>	<u>—</u>	<u>95</u>	<u>—</u>

### 2 Transfers from Local Authority on conversion

	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
Fixed assets	30,630	—
Budget surplus on LA funds	2,296	—
Defined benefit pension scheme deficit	(3,381)	—
Net assets	<u>29,545</u>	<u>—</u>

The transfer of identifiable assets and liabilities on conversion is accounted for as voluntary income in the statement of financial activities. Further detail of the assets and liabilities transferred on conversion for each school are in note 27.

### 3 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
Consultancy income	—	—	—	7
Hire of facilities	43	—	43	—
Trip income	—	91	91	—
Catering income	98	—	98	—
Uniform sales	5	—	5	—
Other income	—	3	3	—
	<u>146</u>	<u>94</u>	<u>240</u>	<u>7</u>



## Notes to the Financial Statements 31 August 2014

### 4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
Investment income	1	—	1	—
Bank interest	3	—	3	—
	4	—	4	—

### 5 Funding for the Partnership's educational operations and development

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
<b>DfE/EFA capital grant</b>				
. Devolved formula capital allocations	—	79	79	—
	—	79	79	—
<b>DfE/EFA revenue grants</b>				
. General Annual Grant (GAG)	—	9,038	9,038	—
. Pupil Premium	—	253	253	—
. Catchup grant	—	26	26	—
. Other DfE/EFA grants	—	41	41	—
. Funding for the Partnership's development	—	165	165	250
	—	9,523	9,523	250
<b>Other Government grants</b>				
. Free School Meals	—	86	86	—
. SEN from Local Authority	—	356	356	—
. Other grants	—	268	268	—
	—	710	710	—
	—	10,312	10,312	250

## Notes to the Financial Statements 31 August 2014

### 6 Resources expended

		Non pay expenditure		Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
	Staff costs £'000	Premises £'000	Other costs £'000		
Costs of activities for generating funds	—	6	7	13	—
Partnership's educational operations (note 7)					
· Direct costs	6,118	612	858	7,588	—
· Support costs	1,912	1	1,496	3,409	218
	8,030	613	2,354	10,997	218
Governance costs (note 8)	—	—	372	372	15
	8,030	619	2,733	11,382	233
Net incoming resources for the year is stated after charging:					
Operating leases				23	1
Fees payable to auditor					
· Statutory audit				28	6
· Non statutory audit				3	—
· Other services				3	2

## Notes to the Financial Statements 31 August 2014

### 7 Charitable activities – Partnership's educational operations

	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
<b>Direct costs – educational operations</b>		
. Teaching and educational support staff costs	6,118	—
. Depreciation	612	—
. Technology costs	40	—
. Educational supplies	494	—
. Examination fees	183	—
. Staff development	53	—
. Educational consultancy	56	—
. Other direct costs	32	—
	<b>7,588</b>	<b>—</b>
<b>Support costs – educational operations</b>		
. Support staff costs	1,912	62
. Depreciation	1	—
. Technology costs	219	59
. Recruitment and support	73	78
. Maintenance of premises and equipment	335	—
. Cleaning	203	—
. Rent and rates	44	19
. Energy costs	143	—
. Insurance	113	—
. Security and transport	29	—
. Catering	124	—
. Bank interest and charges (including FRS17 charge)	26	—
. Other support costs	187	—
	<b>3,409</b>	<b>218</b>
<b>Total direct and support costs</b>	<b>10,997</b>	<b>218</b>

## Notes to the Financial Statements 31 August 2014

### 8 Governance costs

	Year ended 31 August 2014 Total funds £'000	Period from 10 August 2012 to 31 August 2013 Total funds £'000
Legal and professional fees	338	7
Auditor's remuneration:		
· Statutory audit	28	6
· Non statutory audit	3	—
· Other services	3	2
	<b>372</b>	<b>15</b>

### 9 Staff

#### (a) Staff costs

Staff costs during the year were:

	Year ended 31 August 2014 Total funds £	Period from 10 August 2012 to 31 August 2013 Total funds £
Wages and salaries	6,236	—
Social security costs	447	—
Pension costs	912	—
	<b>7,595</b>	<b>—</b>
Supply teacher costs	322	—
Agency costs	66	—
FRS17 charge	47	—
	<b>8,030</b>	<b>—</b>

#### (b) Staff numbers

The average numbers of persons (including senior management team) employed by the Partnership during the year expressed as a full time equivalents was as follows:

	2014 No	2013 No
Charitable activities		
Teachers	248	—
Administration and support	228	—
Management	36	2
	<b>512</b>	<b>2</b>

The average staff numbers have been calculated based on the period since conversion to academy for each school. No adjustment has been made in respect of the length of time that each school has been part of the Partnership.

## Notes to the Financial Statements 31 August 2014

### 9 Staff (continued)

#### (c) Higher paid staff

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

	2014 No	2013 No
£70,001 - £80,000	2	—
£140,001 - £150,000	1	—

Emoluments for the purposes of this note have been calculated based on the amount paid to the employees during the time that each school has been part of the Partnership and are not the per annum emoluments.

One of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014 pension contributions for this staff member amounted to £10,000. The other employees participated in the Local Government Pension Scheme, pension contributions amounted to £45,000 for the year ended 31 August 2014.

### 10 Directors' remuneration and expenses

The Chief Executive Officer and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the Partnership in respect of their role as Directors. The value of remuneration was as follows:

	2014 £	2013 £
Clive Webster, Chief Executive Officer	145-150k	—
Mike Walters (Staff Director)	30-35k	—

Other related party transactions involving the trustees are set out in note 26.

During the year ended 31 August 2014, travel expenses totalling £2,866 were reimbursed to one Director. These were reimbursed as part of the Director's work as an employee rather than as a Director.

### 11 Directors' and Officers' insurance

In accordance with normal commercial practice the Partnership has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Partnership business. The insurance provides cover up to £500,000 on any one claim and the cost for the year ended 31 August 2014 (7 months) was £250. The cost of this insurance is included in the total insurance cost.

## Notes to the Financial Statements 31 August 2014

### 12 Central services

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

- ◆ Financial services
- ◆ Legal services
- ◆ Office administration
- ◆ IT support

In the year ended 31 August 2014 the Partnership charged the academies for the above services based on the Education Services Grant received. This is calculated as £150 per pupil for the year.

The actual amounts charged during the year are as follows:

	Year ended 31 August 2014 £'000	Period from 10 August 2012 to 31 August 2013 £'000
St Joseph's Catholic Primary School, Aylesham	11	—
St Simon Stock Catholic School, Maidstone	114	—
St Gregory's Catholic Comprehensive School, Tunbridge Wells	88	—
St Joseph's Catholic Primary School, Broadstairs	18	—
St Anselm's Catholic School, Canterbury	57	—
St Gregory's Catholic Primary School, Margate	18	—
Holy Family RCP School, Maidstone	8	—
St Mary's Catholic Primary School, Deal	5	—
St Simon of England RCP School, Ashford	6	—
St Margaret Clitherow Catholic Primary School	5	—
St Thomas' Catholic Primary School, Sevenoaks	3	—
	<b>333</b>	<b>—</b>

## Notes to the Financial Statements 31 August 2014

### 13 Tangible fixed assets

	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Total £'000
<b>Cost</b>				
At 1 September 2013	—	—	—	—
Additions	—	2	32	34
Transfers on conversion (note 27)	30,630	—	—	30,630
At 31 August 2014	30,630	2	32	30,664
<b>Depreciation</b>				
At 1 September 2013	—	—	—	—
Charged in year	612	—	1	613
At 31 August 2014	612	—	1	613
<b>Net book values</b>				
At 31 August 2014	30,018	2	31	30,051
At 31 August 2013	—	—	—	—

### 14 Debtors

	2014 £'000	2013 £'000
Trade debtors	113	—
Prepayments	294	12
Other debtors	263	—
VAT recoverable	211	1
	<b>881</b>	<b>13</b>

### 15 Stock

	2014 £'000	2013 £'000
Uniforms	8	—
Catering	2	—
	<b>10</b>	<b>—</b>

## Notes to the Financial Statements 31 August 2014

### 16 Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Trade creditors	274	—
PAYE and NIC creditor	324	—
Other creditors	461	100
Accruals and deferred income	604	7
	<b>1,663</b>	<b>107</b>
<b>Deferred income (included within 'Accruals and deferred income' above)</b>		
Deferred income at 1 September 2013	7	—
Resources deferred in the year	247	—
Deferred income at 31 August 2014	<b>254</b>	<b>7</b>

At the balance sheet date the Partnership was holding funds received in advance for conversion costs, education school improvement, Year 7 catch up grant, music grant, school meals, trips, and travel card deposits received from Parent Pay.

Other creditors include a credit facility of £420,000 provided by the Diocese of Southwark. Although it is not currently felt that this will be reclaimed within twelve months of the balance sheet date, it has been included as a current liability as it remains 'repayable on demand', as per the conditions of the grant.



## Notes to the Financial Statements 31 August 2014

### 17 Funds

	Balance at 1 September 2013 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2014 £'000
<b>Restricted general funds</b>					
· General Annual Grant (GAG)	—	9,038	(9,083)	45	—
· Donated current assets on conversion	—	2,296	(343)	—	1,953
· Other EFA grants	17	485	(502)	—	—
· LA and other grants	—	710	(710)	—	—
· St Simon Stock Science Legacy	—	49	—	—	49
· Other restricted	—	51	(51)	—	—
	17	12,629	(10,689)	45	2,002
<b>Pension reserve</b>	—	(3,381)	(67)	(347)	(3,795)
	17	9,248	(10,756)	(302)	(1,793)
<b>Restricted fixed assets fund</b>					
· Available capital grant funding	—	79	—	(79)	—
· Donated fixed assets on conversion (note 27)	—	30,630	(612)	—	30,018
· Acquired fixed assets	—	—	(1)	34	33
	—	30,709	(613)	(45)	30,051
<b>Total restricted funds</b>	17	39,957	(11,369)	(347)	28,258
<b>Unrestricted funds</b>					
· General fund	7	239	(13)	—	233
<b>Total unrestricted funds</b>	7	239	(13)	—	233
<b>Total funds</b>	24	40,196	(11,382)	(347)	28,491

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

#### **EFA revenue grant fund and other restricted funds**

These grants relate to the Partnership's development and operational activities.

#### **General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State, the Partnership was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

#### **Fixed asset fund**

These grants relate to funding received from the EFA which have been used to purchase fixed assets. This has been reflected by a transfer between funds.

The fund also includes assets received from Kent County Council on conversion to academy status.

## Notes to the Financial Statements 31 August 2014

### 17 Funds (continued)

#### *Pension reserve*

The pension reserve relating to the Partnership's share of the Kent County Council Local Government Pension Scheme.

#### *Analysis of academies by cost*

Expenditure incurred by each academy and the central services team during the year was as follows:

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total £'000
St Joseph's Catholic Primary School, Aylesham	212	46	27	79	364
St Simon Stock Catholic School, Maidstone	2,074	444	125	725	3,368
St Gregory's Catholic Comprehensive School, Tunbridge Wells	1,639	523	168	523	2,853
St Joseph's Catholic Primary School, Broadstairs	288	60	11	108	467
St Anselm's Catholic School, Canterbury	1,175	387	118	352	2,032
St Gregory's Catholic Primary School, Margate	264	63	14	77	418
Holy Family RCP School, Maidstone	139	25	7	80	251
St Mary's Catholic Primary School, Deal	106	13	8	24	151
St Simon of England RCP School, Ashford	103	13	11	33	160
St Margaret Clitherow Catholic Primary School	68	7	3	29	107
St Thomas' Catholic Primary School, Sevenoaks	50	10	2	14	76
Central Services	—	321	—	201	522
Academy Trust Partnership	6,118	1,912	494	2,245	10,769

## Notes to the Financial Statements 31 August 2014

### 17 Funds (continued)

Fund balances as at 31 August 2014 were allocated as follows:

	2014 £'000	2013 £'000
St Joseph's Catholic Primary School, Aylesham	130	—
St Simon Stock Catholic School, Maidstone	492	—
St Gregory's Catholic Comprehensive School, Tunbridge Wells	466	—
St Joseph's Catholic Primary School, Broadstairs	64	—
St Anselm's Catholic School, Canterbury	367	—
St Gregory's Catholic Primary School, Margate	457	—
Holy Family RCP School, Maidstone	91	—
St Mary's Catholic Primary School, Deal	72	—
St Simon of England RCP School, Ashford	92	—
St Margaret Clitherow Catholic Primary School	71	—
St Thomas' Catholic Primary School, Sevenoaks	265	—
Central Services	(332)	24
<b>Total before fixed assets and pension reserve</b>	<b>2,235</b>	<b>24</b>
Restricted fixed asset fund	30,051	—
Pension reserve	(3,795)	—
<b>Total</b>	<b>28,491</b>	<b>24</b>

### 18 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £'000	Total 2014 £'000
<b>Fund balances at 31 August 2014 are represented by:</b>				
Tangible fixed assets	—	—	30,051	30,051
Current assets	233	3,665	—	3,898
Current liabilities	—	(1,663)	—	(1,663)
Pension scheme liability	—	(3,795)	—	(3,795)
<b>Total net assets</b>	<b>233</b>	<b>(1,793)</b>	<b>30,051</b>	<b>28,491</b>

### 19 Financial commitments

#### *Operating leases*

At 31 August 2014, the Partnership had annual commitments under non-cancellable operating leases as follows:

	2014 £'000	2013 £'000
<b>Other</b>		
Expiring within one year	15	—
Expiring within two and five years inclusive	56	1
	<b>71</b>	<b>1</b>

## Notes to the Financial Statements 31 August 2014

### 20 Reconciliation of net income to net cash inflow from operating activities

	Year ended 31 August 2014 £'000	Period from 10 August 2012 to 31 August 2013 £'000
Net income	28,814	24
Depreciation (note 13)	613	—
Interest income	(4)	—
Capital grants from EFA and other capital income	(79)	—
Fixed assets bought in on conversion	(30,630)	—
FRS17 pension liability on conversion	3,381	—
FRS17 pension costs less contributions payable	47	—
FRS17 Pension finance income	20	—
Increase in stock	(10)	—
Increase in debtors	(868)	(13)
Increase in creditors	1,556	107
<b>Net cash inflow from operating activities</b>	<b>2,840</b>	<b>118</b>

### 21 Return on investments and servicing of finance

	Year ended 31 August 2014 £'000	Period from 10 August 2012 to 31 August 2013 £'000
Interest received	4	—
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>4</b>	<b>—</b>

### 22 Capital expenditure and financial investment

	Year ended 31 August 2014 £'000	Period from 10 August 2012 to 31 August 2013 £'000
Purchase of tangible fixed assets	(34)	—
Capital grants from EFA and other capital income	79	—
	<b>45</b>	<b>—</b>

### 23 Analysis of changes in net funds

	At 1 September 2013 £'000	Cashflows £'000	At 31 August 2014 £'000
Cash in hand and at bank	118	2,889	3,007

**24 Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**25 Pension and similar obligations**

The Partnership's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent County Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

***Valuation of the Teachers' Pension Scheme***

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);

**25 Pension and similar obligations (continued)**

***Teachers' Pension Scheme (continued)***

***Valuation of the Teachers' Pension Scheme (continued)***

- ◆ total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- ◆ an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

***Teachers' Pension Scheme Changes***

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

## 25 Pension and similar obligations (continued)

### *Teachers' Pension Scheme (continued)*

#### *Teachers' Pension Scheme Changes (continued)*

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

### *Local Government Pension Scheme (LGPS)*

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £251,000, of which employer's contributions totalled £196,000 and employees' contributions totalled £55,000. The agreed contribution rates for future years are 21% of employers and 6% of employees.

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

Principal Actuarial Assumptions	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	4.5%	—
Rate of increase for pensions in payment / inflation	2.7%	—
Discount rate for scheme liabilities	4%	—
Inflation assumption (CPI)	2.7%	—
Commutation of pensions to lump sums	3.5%	—

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

	At 31 August 2014	At 31 August 2013
<i>Retiring today</i>		
Males	22.7	—
Females	25.1	—
<i>Retiring in 20 years</i>		
Males	24.9	—
Females	27.4	—

## Notes to the Financial Statements 31 August 2014

### 25 Pension and similar obligations (continued)

#### *Local Government Pension Scheme (LGPS) (continued)*

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

	Expected return at 31 August 2014	Fair value at 31 August 2014 £
Equities	6.7%	1,669
Gilts	3.0%	30
Bonds	3.6%	288
Property	5.9%	250
Cash	2.9%	103
Target return portfolio	5.9%	105
Total market value of assets		2,445
Present value of scheme liabilities		(6,240)
(Deficit) in the scheme		(3,795)

The actual return on scheme assets was £73,000.

	2014 £
<b>Amounts recognised in statement of financial activities</b>	
Current service costs (net of employee contributions)	(47)
Total operating charge	(47)
<b>Analysis of pension finance income / (costs)</b>	
Expected return on pension scheme assets	77
Interest on pension liabilities	(97)
<b>Pension finance (costs)</b>	(20)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a loss of £347,000.

	2014 £
<b>Movements in the overall deficit were as follows:</b>	
Deficit inherited on conversion	3,381
Current service cost	243
Employer contributions	(196)
Net finance interest	20
Actuarial gains	347
<b>At 31 August 2014</b>	<b>3,795</b>

For schools which converted to academies after 1 May 2014, the actuary has not provided a valuation of the pension fund as at 31 August 2014. A valuation was provided on the date of conversion and any movement between the valuation at the date of conversion and 31 August 2014 is not expected to be material.



## Notes to the Financial Statements 31 August 2014

### 25 Pension and similar obligations (continued)

#### *Local Government Pension Scheme (LGPS) (continued)*

<b>Movements in the present value of defined benefit obligations were as follows:</b>	<b>2014 £'000</b>
Inherited on conversion	5,502
Current service costs	243
Interest costs	97
Employee contributions	55
Actuarial (gain)	343
<b>At 31 August 2014</b>	<b>6,240</b>

<b>Movements in the fair value of Partnership's share of scheme assets:</b>	<b>2014 £'000</b>
At 1 September 2013	2,121
Expected return on assets	77
Actuarial (loss)	(4)
Employer contributions	196
Employee contributions	55
<b>At 31 August 2014</b>	<b>2,445</b>

The estimated value of the employer contributions for the year ended 31 August 2015 is £330,000 for schools that joined the Partnership before 31 August 2014.

The adjustments are as follows:

	<b>2014 £'000</b>
<b>Present value of defined benefit obligations</b>	<b>(6,240)</b>
<b>Fair value of share scheme assets</b>	<b>2,445</b>
<b>Deficit on the scheme</b>	<b>(3,795)</b>
<b>Experience adjustments on share of scheme assets</b>	
Amount	55
<b>Experience adjustments on scheme liabilities</b>	
Amount	347

## Notes to the Financial Statements 31 August 2014

### 26 Related Party Transactions

Owing to the nature of the Partnership's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Directors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Partnership's financial regulations and normal procurement procedures.

The Partnership received credit facility funding of £320,000 (2013 - £100,000) from the Diocese of Southwark during the year to support the set up costs of the Partnership. At 31 August 2014, no amount of this balance of £420,000 has been repaid to the Diocese of Southwark. All of the Partnership's members and two of the Directors, The Right Reverend John Hine (resigned December 2013), Reverend Father Philip Gilbert and Father Paul Mason (appointed December 2013) are employees of the Diocese.

### 27 Transfers from Local Authority on conversion

The conversion from state maintained schools into the multi-academy trust has involved the transfer of identifiable assets and liabilities and the operation of the schools for £nil consideration. This has been accounted for under the acquisition method.

The assets and liabilities transferred on conversion from the following schools to the multi-academy trust have been valued at their fair value being a reasonable estimate of the current market value that the Directors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for the Partnership. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net expenditure in the Statement of Financial Activities and analysed under restricted fixed asset funds.

Schools converting in the year ended 31 August 2014

	Date of conversion
St Joseph's Catholic Primary School, Aylesham	1 January 2014
St Simon Stock Catholic School, Maidstone	1 January 2014
St Gregory's Catholic Comprehensive School, Tunbridge Wells	1 March 2014
St Joseph's Catholic Primary School, Broadstairs	1 March 2014
St Anselm's Catholic School, Canterbury	1 May 2014
St Gregory's Catholic Primary School, Margate	1 May 2014
Holy Family RCP School, Maidstone	1 June 2014
St Mary's Catholic Primary School, Deal	1 July 2014
St Simon of England RCP School, Ashford	1 July 2014
St Margaret Clitherow Catholic Primary School	1 August 2014
St Thomas' Catholic Primary School, Sevenoaks	1 August 2014

## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

On 1 January 2014 the **St Joseph's Catholic Primary School, located in Aylesham**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	627	627
Budget surplus on LA funds	—	81	—	81
LGPS pension deficit	—	(58)	—	(58)
	—	23	627	650

The above net assets include £81,457 transferred as cash.

On 1 January 2014 the **St Simon Stock Catholic School, located in Maidstone**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	7,578	7,578
Budget surplus on LA funds	—	414	—	414
LGPS pension deficit	—	(379)	—	(379)
	—	35	7,578	7,613

The above net assets includes £413,757 transferred as cash.

On 1 March 2014 the **St Gregory's Catholic Comprehensive School, located in Tunbridge Wells**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	7,029	7,029
Budget surplus on LA funds	—	479	—	479
LGPS pension deficit	—	(941)	—	(941)
	—	(462)	7,029	6,567

The above net assets includes £479,197 transferred as cash.

## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

On 1 March 2014 the **St Joseph's Catholic Primary School, located in Broadstairs**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	1,093	1,093
Budget surplus on LA funds	—	61	—	61
LGPS pension deficit	—	(206)	—	(206)
	—	(145)	1,093	948

The above net assets includes £61,060 transferred as cash.

On 1 May 2014 the **St Anselm's Catholic School, located in Canterbury**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	6,989	<b>6,989</b>
Budget surplus on LA funds	—	328	—	<b>349</b>
LGPS pension deficit	—	(532)	—	<b>(532)</b>
	—	(204)	6,989	<b>6,785</b>

The above net assets includes £328,193 transferred as cash.

On conversion the St Anselm's Catholic School had a Capital loan of £21,244 from Kent County Council.

On 1 May 2014 the **St Gregory's Catholic Primary School, located in Margate**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	1,941	<b>1,941</b>
Budget surplus on LA funds	—	355	—	<b>355</b>
LGPS pension deficit	—	(410)	—	<b>(410)</b>
	—	(55)	1,941	<b>1,886</b>

The above net assets includes £354,993 transferred as cash.

## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

On 1 June 2014 the **Holy Family RCP School, located in Maidstone**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	1,137	1,137
Budget surplus on LA funds	—	105	—	105
LGPS pension deficit	—	(75)	—	(75)
	—	30	1,137	1,167

The above net assets includes £105,230 transferred as cash.

On 1 July 2014 the **St Mary's Catholic Primary School, located in Deal**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

**27 Conversion to a Multi Academy Trust (continued)**

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	727	727
Budget surplus on LA funds	—	61	—	61
LGPS pension deficit	—	(213)	—	(213)
	—	(152)	727	575

The above net assets includes £61,475 transferred as cash.

On 1 July 2014 the **St Simon of England RCP School, located in Ashford**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	944	944
Budget surplus on LA funds	—	72	—	72
LGPS pension deficit	—	(211)	—	(211)
	—	(139)	944	805

The above net assets includes £71,523 transferred as cash.



## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

On 1 August 2014 the **St Margaret Clitherow Catholic Primary School** converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	1,521	<b>1,521</b>
Budget surplus on LA funds	—	74	—	<b>74</b>
LGPS pension deficit	—	(171)	—	<b>(171)</b>
	—	(97)	1,521	<b>1,424</b>

The above net assets includes £73,700 transferred as cash.

On 1 August 2014 the **St Thomas' Catholic Primary School, located in Sevenoaks**, converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Kent Catholic Schools Partnership from Kent County Council for £nil consideration.

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

## Notes to the Financial Statements 31 August 2014

### 27 Conversion to a Multi Academy Trust (continued)

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

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted fixed assets fund £	Total 2014 £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	—	—	1,044	1,044
Budget surplus on LA funds	—	266	—	266
LGPS pension deficit	—	(185)	—	(185)
	—	81	1,044	1,125

The above net assets includes £265,578 transferred as cash.

### 28 School conversions post balance-sheet date

The following schools have converted to academy status and joined the Partnership since the balance sheet date:

School	Date of conversion
More Park Catholic Primary School, West Malling	1 October 2014
St Peter's Catholic Primary School, Sittingbourne	1 October 2014
St Richard's Catholic Primary School, Dover	1 October 2014
Our Lady of Hartley Catholic Primary School, Hartley	1 November 2014
St Joseph's Catholic Primary School, Northfleet	1 December 2014