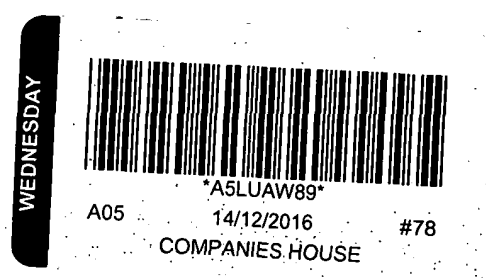


**Blessed Christopher Wharton Catholic Academy Trust**  
(A Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31st August 2016**



**Company Registration Number:**  
**09066969 (England and Wales)**

# **Blessed Christopher Wharton Catholic Academy Trust**

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**For the year ended 31 August 2016**

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# **Blessed Christopher Wharton Catholic Academy Trust**

## **Reference and Administrative Details**

**For the year ended 31 August 2016**

**Members:**

Right Reverend Marcus Nigel Stock  
Father Timothy Swinglehurst  
Mr Cameron James Elliot Robson

**Trustees:**

Mr Cameron James Elliot Robson, Chair  
Mr David Patrick Johnson, Vice Chair #  
Mr John Michael Devlin, Accounting Officer #  
Mr Samuel John Poulton  
Mrs Bernadette Mary Cawley #  
Mr John Clive Midgley (resigned 15 October 2015)  
Mr Keith Michael Moreton  
Mr Neil Geoffrey Moules #  
Mr Paul Raymond Booth #  
Mrs Lynne Royle (appointed 17 March 2016) #  
Dr Deirdre Mary Naylor #  
Monsignor Andrew Liam Summersgill #

Members of the finance and audit committees are denoted by #

**Senior Management Team:**

Principal - St Anne's	Mr Samuel John Poulton
Principal - Our Lady of Victories	Mr John Michael Devlin
Deputy Principal – St Anne's	Mr Tim Baxter
Deputy Principal – Our Lady of Victories	Mr Paul Booth
Director of Finance	Mr Stephen Johnson (appointed 3 May 2016)

**Company Name:**

Blessed Christopher Wharton Catholic Academy Trust

**Principal and Registered Office:**

Holy Family School Bungalow  
Spring Gardens Lane  
Keighley  
West Yorkshire  
BD20 6LH

**Company Registration Number:**

09066969 (England and Wales)

**Independent Auditor:**

BHP Clough & Company LLP  
New Chartford House  
Centurion Way  
Cleckheaton  
BD19 3QB

**Bankers:**

Yorkshire Bank plc  
73 North Street  
Keighley  
West Yorkshire  
BD21 3SD

**Solicitors**

Brownejacobson  
Mobray House, Castle Meadow Road  
Nottingham  
NG2 1BJ

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Trustees' Report incorporating Directors' Report**

### **For the year ended 31 August 2016**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31st August 2016. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Blessed Christopher Wharton Catholic Academy Trust is part of the Diocese of Leeds and is under the guidance of the Bishop of Leeds and works closely with the Chief Operating Officer for the Diocese, the Diocesan Education Office and all Catholic schools and Academies within the Diocese. Each Academy within the Trust works closely with neighbouring schools and local Parishes and communities, as well as with the Local Authority of Bradford, following the Trust principle of solidarity: "Our schools, not my school."

The Trust presently operates 2 Catholic primary academies in the Keighley area of Bradford. Its academies have a current combined pupil capacity of 552 and had a roll of 577 in the school census on 19 May 2016. According to the Diocesan plan 'Building the Future' it is scheduled to include any Catholic school in Bradford and Keighley as and when their Governing Bodies choose to convert and their conversion is approved by the Diocese of Leeds Trustee.

As a Multi Academy Trust within the Diocese of Leeds, the Trust recognises that courageous renewal on the part of Catholic schooling is required. The Catholic school must be able to speak for itself effectively and convincingly and so this is a time when Catholic education demands to be clothed in fresh garments.

## **Structure, Governance and Management**

### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association, dated 2 June 2014, are the primary governing documents of the academy trust. The trustees of Blessed Christopher Wharton Catholic Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Blessed Christopher Wharton Catholic Academy Trust.

Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

### **Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the 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.

### **Trustees' Indemnities**

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was £2,297. The cost of this insurance is included in the total cost of insurance.

### **Method of Recruitment and Appointment or Election of Trustees**

The members' aim is to recruit responsible people as trustees who are actively interested in the academy trust and can give the necessary time commitment. The number of trustees should not be less than three but shall not be subject to any maximum. The members may also appoint staff trustees through such process as they may determine, provided that the total number of trustees (including the Principal) who are employees of the academy trust does not exceed one third of the total number of trustees. There must be a minimum of two parent trustees unless there are Academy Councils which include at least two parent members. The parent trustees shall be elected by the trustees. A parent trustee must be a parent of a pupil at the academy at the time the parent trustee is elected. The trustees may appoint up to one co-opted trustee. The term of office for any trustee shall be four years, save that this time shall not apply to any post which is held ex-officio. New trustees are given the appropriate level of training to carry out their responsibilities.

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Trustees' Report incorporating Directors' Report (continued)**

**For the year ended 31 August 2016**

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All new trustees participate in an induction programme and are given an induction pack giving a wide range of information and guidance relating to the governance of the academy trust. The Chair of Trustees is responsible for arranging a programme of trustee training. Typically this is provided for internally by academy staff but complementary outside resources are used where this is considered appropriate.

### **Organisational Structure**

The trustees hold at least one meeting every school term. The trustees determine the general policy of the Trust in relation to the constituent academies. The principle of subsidiarity means that decisions are taken at the most appropriate level. This is detailed in the trust 'Matrix of Responsibilities' (Financial Handbook). No-one involved in the academy trust - directors, governors, staff, parents and young people - has the right to disregard the good of any constituent academy while promoting the good of their own. All involved have the duty to recognise the complementary responsibilities to be undertaken within the Trust. At the heart of the Church's social teaching is the duty to care for others.

The principals are appointed by the Trust Board and are responsible for the day to day running of each academy, supported by senior staff. Governance of each academy is via the Academy Council, which consists of a majority of Foundation governors (appointed by the Bishop), parent and staff governors- elected from their number, as outlined in the scheme of delegation. The policies of the Trust and academy councils outline how these responsibilities are operated.

### **Arrangements for setting pay and remuneration of key management personnel**

The trustee's performance management subcommittee is responsible for reviewing the performance of Academy principals and recommending incremental scale point rises to the full Trust board within the parameters of the agreed head teacher pay scales. The head teachers are responsible for reviewing the deputies within their agreed pay scales. The trust board sets and reviews the remuneration for the director of finance using the benchmark of other similar academies.

### **Related Parties and other Connected Charities and Organisations**

As part of the Diocese of Leeds the Trust and each Academy also works with a number of local, national and international Catholic and other charities and Catholic and other organisations in pursuit of the activities as defined in the "Objects" of the Trust.

## **Objectives and Activities**

### **Objects and Aims**

The Trust, aims "to provide and promote excellent Catholic education, enabling everyone to reach their full potential in union with God" through its member Academies and wider Trust Board to the young people and families within the area and within the Diocese of Leeds.

The published Mission of the Trust is: "With Jesus Christ at the centre of our life, we will provide Catholic schools open to all who want to share our educational goals inspired by Christian principles. We will offer the highest possible standards of education in which faith, culture and life are united in harmony. For the common good, we will work in partnership and trust with each other, with families, our communities and with all involved in the mission of education. We will encourage and empower children and young people to recognise and realise their God-given potential, providing them with opportunities to develop harmoniously their physical, moral, intellectual and spiritual gifts. We will help them to aspire to a sense of personal dignity and responsibility, to learn the correct use of freedom, and to participate actively in their communities. Guided by the Holy Spirit, we will teach Gospel values, as together we celebrate and live our call to follow Christ the teacher in self-giving love and service.

The academies within the Trust therefore work together to develop this provision. These objects and aims are outlined in the Articles of Association, Schemes of Delegation and the School Development Plans for each Academy.

The Headteachers meet every half term to discuss and implement the Trust's Development Plan. The financial current and projected position is reported through the Headteacher's Forum, Trust Finance Committee, Trust Audit Committee and Trust Board. The Trust Board is committed to maintaining and developing a systematic provision of employee information, through approved Trust policies, appropriate consultation for change, consistent advice from the Trust central office, thereby achieving a common awareness of the Trust's overall performance.

# Blessed Christopher Wharton Catholic Academy Trust

## Trustees' Report incorporating Directors' Report (continued)

For the year ended 31 August 2016

### Objectives, Strategies and Activities From the Trust Development Plan:

Objective	Strategy
Excellence of curriculum provision, all Trust schools rated Ofsted outstanding	Heads will meet to look at curriculum provision
Excellent Catholic schools, all Trust schools judged outstanding by s48 inspection	OLV achieved outstanding in s48 in July 2016. St. Anne's next inspection will be this academic year
School to school support –within our Trust schools, other Catholic schools and our wider community	Schools work within the Catholic Schools Partnership TSA. One Education provide school improvement support to the schools
Sustainable finance structure to support all schools and the Trust as a whole	High quality accounting, budgeting and financial management staff and structures in place
Work towards best value in all expenditure, whilst maintaining our ethos and principle of subsidiarity	Needs are highlighted through this second year allowing best value to be the focus for the coming year 3
Excellent HR provision	Review and develop provision across the Trust to support all Academies
To become a Living Wage employer	An analysis of potential cost within the Trust and how other organisations have implemented. To consider in the light of minimum wage, job parity and differentials
Improve buildings, facilities and capacity	Develop a plan to maximise opportunities for accessing resources. Capacity plan based on projected numbers
Succession planning for staff, teachers and leaders	Looking to develop opportunities for staff at all levels across the Trust and wider Catholic Education
Develop the process and capacity to welcome other schools within our area to join the Trust	Plan for any schools to join if requested and approved. Ability to support failing schools within the Diocese if needed
Catholic Ethos and Spirituality	Ongoing reinforcement of ethos and focus between all the schools of The Trust. Collaborative work on S48 RE Review
Policies	Creation, approval and implementation of Trust policies, consistent across the Trust with appropriate review schedule

### Objectives, Strategies and Activities

The academy trust's key objectives are:

- To maintain an experienced, well qualified and committed teaching staff, all capable of delivering the highest standards of teaching and learning and of promoting individual pupil progress
- To conduct regular reviews of the curriculum and the organisational structure to ensure the academic needs of all pupils are being met
- To maintain high levels of attendance at school where the importance of a full or near full attendance record is emphasised and absences are rigorously pursued
- To promote a school community where a clearly defined pastoral structure supports the wellbeing of every pupil and actively promotes strong relationships between school and parents/carers

# Blessed Christopher Wharton Catholic Academy Trust

## Trustees' Report incorporating Directors' Report (continued)

### For the year ended 31 August 2016

- To maintain excellent standards of behaviour through a strong emphasis on positive behaviour, role modeling by staff and older students, disapproval of poor behaviour and consideration of the consequences of our actions
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements

#### Public Benefit

In line with the policy of the Catholic Church the academies offer an education to the whole local community; encouraging good educational standards and an engagement with the wider community.

In setting our objectives and planning our future activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

### Strategic Report

#### Achievements and Performance

The achievements and performance of the academy trust are summarised as follows:

- Measures of progress exceed national expectations of floor targets
- All schools are full to capacity or over subscribed
- All schools are financially stable
- Strong central finance and business function is in place ensuring strategic direction
- All schools are good with outstanding features as judged by Ofsted and the Diocese of Leeds
- Developments are ongoing to ensure the best possible catholic education for all our pupils
- Robust staff structures in place across all schools with an effective CPD programme

#### Key Performance indicators

School	S. 5 Ofsted	RE S. 48	Headline		Attendance
St Anne's, Keighley Catholic Voluntary Academy	Good January 2014	Good with Outstanding features May 2012	Reading =55% Progress =-0.5 Writing=75% Progress =+1.1 Maths=47% Progress =-2.2	RWM combined =35%	95.8%
Our Lady of Victories Catholic Primary School, Keighley	Good April 2011	Outstanding July 2016	Reading =55% Progress =-0.7 Writing=84% Progress =+1.3 Maths=69% Progress =+1.5	RWM combined = 45%	96%

#### Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust 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.

As stated in note 23 in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education.

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Trustees' Report incorporating Directors' Report (continued)**

**For the year ended 31 August 2016**

### **Financial Review**

The majority of the academy trust's income is obtained from the Education Funding Agency (EFA) in the form of the General Annual Grant (GAG) and it also receives other grants such as pupil premium, the use of which is restricted to particular purposes. The grants received from the EFA and other sources during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, inherited net assets totalled £Nil, (2015 - £79,295) and incoming resources totalled £3,186,187, (2015 - £3,662,276) which did not cover the outgoing resources mainly due to the loss on the local government pension fund giving a deficit for the year of (£889,785), (2015 - surplus of 456,416). The unrestricted fund and restricted general fund surplus for the year was £82,443, (2015 - £81,789) and deficit of (£972,228), (2015 - surplus of £374,627) respectively.

The net book value of fixed assets was £831,451, (2015 - £505,862) as at 31 August 2016. These assets were exclusively for providing educational and support services to the academy trust.

### **Reserves Policy**

The trustees review the level of reserves annually. Unrestricted funds have been accumulated to a level which is considered sufficient to meet unexpected expenditure and may also be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Unrestricted funds, restricted general funds and restricted fixed asset funds carried forward were £164,232, (2015 - £81,789), £47,727, (2015 - £234,774) and £833,672, (2015 - £666,853) respectively. There is no restriction of the amount of GAG that may be carried forward, however the surplus must continue to be used to meet the normal running costs of the academy trust.

The trustees are of the opinion that there is adequate working capital in the form of net current assets amounting to £214,180, (2015: £477,554).

The inherited Local Government Pension Scheme Liability on conversion is being repaid over a period of 20 years. See note 23.

### **Best Value**

The Trustees have appointed a director of finance during the year to look at value for money through improved purchasing of supplies and services and obtaining best value through economies of scale.

### **Investment Policy**

The academy trust's funds are generally held in a low risk interest bearing bank current account. The academy trust also has the power to delegate the management of investments to a financial expert, under constant review and instruction of the trustees, for any funds not immediately required, with the object of maximising returns on surplus funds.

### **Principal Risks and Uncertainties**

The trustees have examined the major risks that the academy trust faces each financial year when preparing and updating the strategic plan. The academy trust has developed systems to monitor and control these risks to mitigate any impact that they may have on the academy trust in the future. The finance committee has approved the risk register which contains timely actions and allocates responsibilities which are reviewed as appropriate. There are many uncertainties which are subjective in nature and difficult to quantify. The following key risks have been identified:

- Government Funding

The academy trust has considerable reliance on continued government funding through the DfE/EFA and local authority, which represented the majority of total revenue for the period. There is little reassurance that government policy and funding levels will increase or even continue at existing levels in future years. To mitigate this risk, the academy trust aims to further develop new income streams such as additional hiring of facilities, to continue to deliver efficiencies and value for money in its operations, and to ensure all DfE/EFA funding opportunities are identified.



# **Blessed Christopher Wharton Catholic Academy Trust**

## **Trustees' Report incorporating Directors' Report (continued)**

**For the year ended 31 August 2016**

- Estate

The size, age and condition of the school buildings represent a risk of unforeseen and significant maintenance and renewal expenditure. To mitigate this risk, effective preventative maintenance programmes are in place, as well as funding opportunities being explored.

### **Plans for Future Periods**

The academy trust's key plans for the future are:

- to continue to protect against any unforeseen impacts by operating at a surplus, whilst prioritising maximum resources to ensure excellent teaching and learning of pupils
- to expand the Trust throughout the Bradford and Keighley Catholic Schools
- to work alongside the Catholic Schools Partnership Teaching School Alliance

### **Auditor**

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8<sup>th</sup> December 2016 and signed on the board's behalf by:



Cameron James Elliot Robson  
Chair of Trustees

# Blessed Christopher Wharton Catholic Academy Trust

## Governance Statement

For the year ended 31 August 2016

### Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring accounting 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 Blessed Christopher Wharton Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met nine times during the period. Attendance during the period at meetings of the board of trustees was as follows:

<u>Trustee</u>	<u>Meetings attended / out of a possible</u>	
	<u>Full Board</u>	<u>Sub-Committees</u>
Mr Cameron James Elliot Robson, Chair	8/9	N/a
Mr David Patrick Johnson, Vice Chair	9/9	1/1
Mr John Michael Devlin, Accounting Officer	9/9	3/3
Mr Samuel John Poulton	9/9	4/4
Mrs Bernadette Mary Cawley	7/9	2/3
Mr John Clive Midgley (resigned 15 October 2015)	N/a	N/a
Mr Keith Michael Moreton	7/9	3/7
Mr Neil Geoffrey Moules	9/9	6/7
Dr Deirdre Mary Naylor	8/9	3/4
Monsignor Andrew Liam Summersgill	8/9	1/3
Mr Paul Raymond Booth	8/9	5/7
Mrs Lynne Royle (appointed 17 March 2016)	3/4	2/2

The board of trustees has an excellent range of skills to ensure they fulfil their roles and responsibilities effectively. The trustees have plans in place to review their effectiveness via skills audits and Governing Body Reviews. The academy trust intends to set up a separate Governance Committee to ensure frequent appraisal. As part of their regular cycle of meetings, the trustees review to their strategic responsibilities for the continual development and improvement of the academy trust. As the trust expands, the trustees recognise the importance of undertaking a skills audit to ascertain skills and experience, whilst identifying any training required.

The board of trustees conducts much of its business through the sub-committee structure which includes the following:

- Academic and Standards – its purpose being to receive reports, review, monitor compliance and make recommendations on the school's vision, ethos and values; curriculum strategy and programme; academic performance and public examination results; and staffing structure and quality of teaching.
- Finance– its purpose being to exercise the powers and duties of the board of trustees in respect of the financial administration of the academy trust, except for those items specifically reserved for the board of trustees and those delegated to the Principal and other staff.
- Audit – its purpose being to ensure that the Trust policies and procedures are adhered to by performing a programme of internal checks and document traces.
- Performance Management – to review the performance and pay of head teachers.

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Governance Statement (continued)**

### **For the year ended 31 August 2016**

#### **Review of Value for Money**

As accounting officer the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the period by:

- continuing to follow the general principles of probity, accountability and fairness, and obtaining several quotes for significant items of expenditure taking into account a range of factors other than the cost, such as the reputation and past performance of potential suppliers
- obtaining quotes from several firms of auditors leading the trust to reappoint BHP Clough & Company LLP after careful consideration of the balance between perceived level of business partnership and price
- recognising early on, the potential in appointing a finance professional to over-see the finances of all member academies, introduce consistent and timely reporting, project management and integrate new academies membership of the trust, standardise procedures and explore economies of scale in centralised purchasing. Initially with only two member schools, their view was that such an appointment would be too onerous a cost for the two schools to bear and not best use of public money and as such the decision was deferred until such time as there was the prospect of more academies joining the Trust. As this prospect has now become a reality, such an appointment has recently been ratified, and a Director of Finance was appointed and started on 3 May 2016.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Blessed Christopher Wharton Catholic Academy Trust for the year to 31 August 2016 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31 August 2016 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the board of trustees.

#### **The Risk and Control Framework**

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

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

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Governance Statement (continued)**

### **For the year ended 31 August 2016**

The board of trustees has considered the need for a specific internal audit function and has formed a sub-committee for this purpose. In addition, the trustees have appointed David Johnson, a trustee and qualified chartered management accountant, to devise a programme of internal checks until May 2016 when due to the appointment of his brother as Director of Finance, agreed to step down from this role. A new trustee will be appointed for this role in due course. The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. There were some formal checks made in the current year as this is a recent appointment, however the checks will increase going forward and will cover:

- related party transactions;
- payroll;
- procurement and purchasing.

On an annual basis, the reviewer will report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

#### **Review of Effectiveness**

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

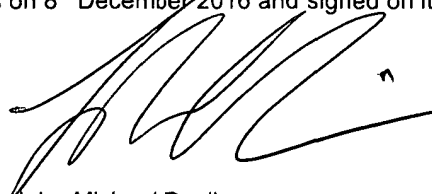
- the work of the reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the senior management team, see page 1, within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and audit committee and a plan to address weaknesses and to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 8<sup>th</sup> December 2016 and signed on its behalf by:



Cameron James Elliot Robson  
Chair of Trustees



John Michael Devlin  
Accounting Officer

# **Blessed Christopher Wharton Catholic Academy Trust**

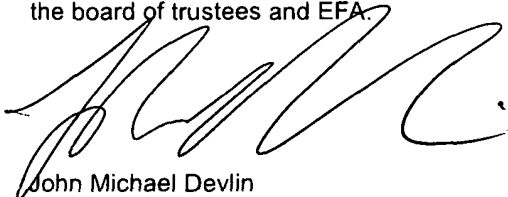
## **Statement on Regularity, Propriety and Compliance**

**For the year ended 31 August 2016**

As accounting officer of Blessed Christopher Wharton Catholic Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

In so far as I'm aware, I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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



John Michael Devlin  
Accounting Officer

8<sup>th</sup> December 2016

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Statement of Trustees' Responsibilities**

**For the year ended 31 August 2016**

The trustees who are appointed by the Bishop of Leeds (who act as trustees of Blessed Christopher Wharton Catholic Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 8<sup>th</sup> December 2016 and signed on its behalf by:



Cameron James Elliot Robson  
Chair of Trustees

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Independent Auditor's Report to the Members of Blessed Christopher Wharton Catholic Academy Trust**

**For the year ended 31 August 2016**

We have audited the group and academy financial statements ("the financial statements") of Blessed Christopher Wharton Catholic Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016, issued by the Education Funding Agency.

This report is made solely to the 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 academy's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and the academy's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees Responsibilities (set out on page 12) the Trustees (who are also the trustees and directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA.

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Independent Auditor's Report to the Members of Blessed Christopher Wharton Catholic Academy Trust (continued)**

**For the year ended 31 August 2016**

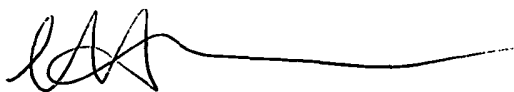
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report (which includes the strategic report and 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Lesley Kendrew  
Senior Statutory Auditor  
For and on behalf of: BHP Clough & Company LLP, Statutory Auditor

BHP Clough & Company LLP  
Chartered Accountants and Statutory Auditors  
New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

8<sup>th</sup> December 2016



# **Blessed Christopher Wharton Catholic Academy Trust**

## **Independent Reporting Accountant's Assurance Report on Regularity to the Members of Blessed Christopher Wharton Catholic Academy Trust and the Education Funding Agency**

**For the year ended 31 August 2016**

In accordance with the terms of our engagement letter dated 28 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Blessed Christopher Wharton Catholic Academy Trust during the year ended 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Blessed Christopher Wharton Catholic Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Blessed Christopher Wharton Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 2 June 2014 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year ended 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies: Accounts Direction 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives
- checking that the trustees and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the year for undisclosed related party transactions
- checking that any related party transactions during the year are conducted at normal commercial rates
- checking that academy trust expenditure is permitted by its funding agreement
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook
- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academies Handbook

# **Blessed Christopher Wharton Catholic Academy Trust**

## **Independent Reporting Accountant's Assurance Report on Regularity to the Members of Blessed Christopher Wharton Catholic Academy Trust and the Education Funding Agency (continued)**

**For the year ended 31 August 2016**

### **Conclusion**

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



**Lesley Kendrew**  
**Reporting Accountant**

For and on behalf of: BHP Clough & Company LLP, Reporting Accountants

BHP Clough & Company LLP  
Chartered Accountants and Statutory Auditors  
New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

8<sup>th</sup> December 2016

# Blessed Christopher Wharton Catholic Academy Trust

## Statement of Financial Activities (including Income and Expenditure Account)

For the Year Ended 31 August 2016

	Note	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Total 2016	Restated Total 2 June 2014 to 31 August 2015
		£	£	£	£	£
<b>Income from</b>						
<i>Donations and capital grants</i>						
Transfer from local authority on conversion	2	-	-	-	-	79,295
<i>Charitable activities</i>						
Funding for the academy trust's educational operations	3	-	2,903,793	199,951	3,103,744	3,610,382
Other trading activities	4	82,443	-	-	82,443	34,894
Investments	5	-	-	-	-	17,000
<b>Total</b>		<b>82,443</b>	<b>2,903,793</b>	<b>199,951</b>	<b>3,186,187</b>	<b>3,741,571</b>
<b>Expenditure on:</b>						
<i>Charitable activities:</i>						
Academy trust educational operations	6	-	3,183,840	33,132	3,216,972	3,184,155
<b>Total</b>		<b>-</b>	<b>3,183,840</b>	<b>33,132</b>	<b>3,216,972</b>	<b>3,184,155</b>
<b>Net income / (expenditure)</b>		<b>82,443</b>	<b>(280,047)</b>	<b>166,819</b>	<b>(30,785)</b>	<b>557,416</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains and (losses)</b>						
Actuarial (losses) / gains on defined benefit pension schemes		-	(859,000)	-	(859,000)	(101,000)
<b>Net movement in funds</b>		<b>82,443</b>	<b>(1,139,047)</b>	<b>166,819</b>	<b>(889,785)</b>	<b>456,416</b>
<b>Reconciliation of Funds</b>						
Total funds brought forward		81,789	(292,226)	666,853	456,416	-
<b>Total funds carried forward at 31 August 2016</b>	<b>15</b>	<b>164,232</b>	<b>(1,431,273)</b>	<b>833,672</b>	<b>(433,369)</b>	<b>456,416</b>

All of the academy trust's activities derive from continuing operations during the above financial periods.

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

# Blessed Christopher Wharton Catholic Academy Trust

Company Registration Number 09066969

## Balance Sheet

At 31 August 2016

	Notes	2016 £	2016 £	2015 £	Restated 2015 £
<b>Fixed assets</b>					
Tangible assets	12		831,451		505,862
<b>Current assets</b>					
Debtors	13	413,837		156,238	
Cash at bank and in hand		202,991		917,148	
		<u>616,828</u>		<u>1,073,386</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(402,648)		(595,832)	
<b>Net current assets</b>			<u>214,180</u>		<u>477,554</u>
<b>Total assets less current liabilities</b>			<u>1,045,631</u>		<u>983,416</u>
Defined benefit pension scheme liability	23		(1,479,000)		(527,000)
<b>Total net assets</b>			<u>(433,369)</u>		<u>456,416</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	833,672		666,853	
Restricted income fund	15	47,727		234,774	
Pension reserve	15	(1,479,000)		(527,000)	
<b>Total restricted funds</b>			<u>(597,601)</u>		<u>374,627</u>
<b>Unrestricted income funds</b>	15		164,232		81,789
<b>Total funds</b>			<u>(433,369)</u>		<u>456,416</u>

The financial statements on pages 17 to 37 were approved by the trustees and authorised for issue on 8th December 2016 and are signed on their behalf by:



Cameron James Elliot Robson  
Chair of Trustees

# Blessed Christopher Wharton Catholic Academy Trust

## Statement of Cash Flows

For the Year Ended 31 August 2016

		2016	Restated 2 June 2014 to 31 August 2015
	Notes	£	£
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	19	(555,387)	756,157
Cash flows from investing activities	20	(158,770)	160,991
<b>Change in cash and cash equivalents in the reporting period</b>	21	<u>(714,157)</u>	<u>917,148</u>
 <b>Cash and cash equivalents at 1 September 2015</b>		917,148	-
 <b>Cash and cash equivalents at 31 August 2016</b>		<u>202,991</u>	<u>917,148</u>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements

### For the Year Ended 31 August 2016

#### 1. Statement of Accounting Policies

A summary of the principle accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

##### Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Blessed Christopher Wharton Academy Trust meets the definition of a public benefit entity under FRS 102.

##### First time adoption of FRS 102

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

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

Reconciliations to previous UK GAAP for the comparative figures are included below.

##### Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the period 2 June 2014 to 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 2 June 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

In considering the impact of transition, there are some adjustments to the previous period.

##### Reconciliation of net income / (expenditure):

	£
Net Income Previously reported under UK GAAP at 31 August 2015	504,722
Prior Year Adjustment	89,694
Change in recognition of LGPS interest cost	(37,000)
Net Movement of funds reported under FRS 102	<u>557,416</u>

##### Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £37,000 and increase the credit/debit in other recognised gains and losses in the SoFA by an equivalent amount.

##### Recognition of outstanding employee benefits

No provision for outstanding holiday pay was made under previous UK GAAP. Under FRS 102 the costs of short-term employee benefits are recognised as a liability and an expense. The value of the adjustment for holiday pay at 31 August 2016 is considered not material therefore no adjustment has been made.

##### Prior year adjustment

The financial statements include a prior year adjustment in respect of the recognition of income. This has resulted in prior years income and funds carried forward being increased by £89,694.

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements

### For the Year Ended 31 August 2016

#### 1. Statement of Accounting Policies (continued)

##### Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Income

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

##### • Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### • Donations

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

##### • Other income

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

##### • Donated fixed assets

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

##### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

### For the Year Ended 31 August 2016

#### 1. Statement of Accounting Policies (continued)

##### • **Expenditure on Raising Funds**

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

##### • **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

##### **Tangible fixed assets**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold Improvements	2% straight line
Furniture & Equipment	5% - 10% reducing balance
Computer Equipment	25% straight line

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

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

##### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### **Leased assets**

Rentals under operating leases are charged in the SOFA as they become payable.

##### **Taxation**

The academy trust is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.



# **Blessed Christopher Wharton Catholic Academy Trust**

## **Notes to the Financial Statements (continued)**

### **For the Year Ended 31 August 2016**

#### **1. Statement of Accounting Policies (continued)**

##### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

##### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency.

##### **Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Critical accounting estimates and assumptions**

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 2. Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total	Total 2 June 2014 to 31 August 2015
	£	£	2016 £	£
Transfer from local authority on conversion	-	-	-	79,295

### 3. Funding for the academy trust's educational operations

	Unrestricted Funds	Restricted Funds	Total	Restated Total 2 June 2014 to 31 August 2015
	£	£	2016 £	£
<b>DfE / EFA grants</b>				
· General annual grant (GAG)	-	2,414,019	2,414,019	2,929,800
· Capital grants	-	199,951	199,951	302,051
· Other DfE/EFA grants	-	233,388	233,388	85,478
	-	2,847,358	2,847,358	3,317,329
<b>Other Government grants</b>				
· Local authority grants	-	256,386	256,386	293,053
	-	256,386	256,386	293,053
<b>Total grants</b>	-	3,103,744	3,103,744	3,610,382

### 4. Other trading activities

	Unrestricted Funds	Restricted Funds	Total	Total 2 June 2014 to 31 August 2015
	£	£	2016 £	£
Hire of facilities	7,629	-	7,629	2,934
Breakfast/after school clubs/ Trips etc	25,996	-	25,996	27,505
Sundry Income	43,433	-	43,433	-
Catering	5,385	-	5,385	4,455
	82,443	-	82,443	34,894

### 5. Investment income

	Unrestricted Funds	Restricted Funds	Total	Total 2 June 2014 to 31 August 2015
	£	£	2016 £	£
Other finance income	-	-	-	17,000

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 6. Expenditure

	Staff Costs	<u>Non Pay Expenditure</u>		Total	Total
		Premises	Other		2 June 2014 to 31 August 2015
	£	£	£	2016 £	£
Academy's educational operations:					
· Direct costs	2,103,943	18,401	353,272	2,475,616	2,477,649
· Allocated support costs	278,159	160,580	302,617	741,356	706,506
	<u>2,382,102</u>	<u>178,981</u>	<u>655,889</u>	<u>3,216,972</u>	<u>3,184,155</u>

Net income/(expenditure) for the period includes:

	2016 £	2 June 2014 to 31 August 2015 £
Operating leases:		
· office equipment & Minibus	15,283	10,662
Depreciation	33,132	22,598
Fees payable to auditor for:		
· audit	6,000	6,000
· other services	550	3,000

### 7. Charitable activities

	2016 £	2 June 2014 to 31 August 2015 £
Direct Costs - educational operations	2,475,616	2,477,649
Support Costs - educational operations	741,356	706,506
	<u>3,216,972</u>	<u>3,184,155</u>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

		2 June 2014 to 31 August 2015
7. Charitable activities (continued)	2016 £	£
Allocated support costs		
Support staff costs	278,159	267,951
Depreciation	14,731	3,228
Technology costs	5,260	20,863
Recruitment and support	-	475
Maintenance of premises and equipment	69,580	44,672
Cleaning	3,868	5,040
Rates and water	4,803	35,611
Energy costs	31,226	39,383
Insurance	12,410	13,015
Security and transport	23,962	24,606
Catering	170,203	170,031
Bank charges	-	770
Other support costs	113,377	71,273
Governance costs	13,777	9,588
<b>Total support costs</b>	<b>741,356</b>	<b>706,506</b>

## 8. Staff

### a. Staff costs

Staff costs during the period were:

		2 June 2014 to 31 August 2015
	2016 £	£
Wages and salaries	1,888,482	1,931,131
Social security costs	132,663	123,980
Operating costs of defined pension schemes	360,957	312,749
	<b>2,382,102</b>	<b>2,367,860</b>
Supply staff costs	103,504	57,036
Staff restructuring costs	-	-
	<b>2,485,606</b>	<b>2,424,896</b>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

### For the Year Ended 31 August 2016

#### 8. Staff (continued)

##### b. Staff numbers

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

	2016 Number	2 June 2014 to 31 August 2015 Number
<b>Charitable activities</b>		
Teachers	23	20
Administration and support	74	66
Management	7	5
	<u>104</u>	<u>91</u>

##### c. Higher paid staff

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

	2016 Number	2 June 2014 to 31 August 2015 Number
£60,001 - £70,000	1	-
£70,001 - £80,000	-	2
£80,001 - £90,000	1	-
	<u>1</u>	<u>2</u>

##### d. Key Management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £357,520 (2015: £329,960).

#### 9. Related party transactions – trustees' remuneration & expenses

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

John Michael Devlin (principal and trustee):

Remuneration £85,000 - £90,000 (2015: £75,000 - £80,000)

Employer's pension contributions £10,000 - £15,000 (2015: £5,000 - £10,000)

Samuel John Poulton (principal and trustee):

Remuneration £65,000 - £70,000 (2015: £70,000 - £75,000)

Employer's pension contributions £10,000 - £15,000 (2015: £5,000 - £10,000)

John Devlin is the Executive Head of both Our Lady of Victories Keighley and St Joseph's Primary school in Keighley. The Trust recharges part of his salary and related costs based on pupil numbers pro rata.

During the period ended 31 August 2016, no travel and subsistence expenses were reimbursed to any of the trustees. (2015: £Nil).

Other related party transactions involving the trustees are set out in note 24.

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

### For the Year Ended 31 August 2016

#### 10. Central Services

Central charges apply from 3 May 2016 following the appointment of the Director of Finance. The costs were incurred by Our Lady of Victories School and in the future will be recharged equally to Our Lady of Victories, St Anne's and the schools joining the trust on or after 1 October 2016. The charges for the two schools in the trust amounted to £22,839 which in the year to 31 August 2016 were covered by the income due from the Trust Chain Grant recorded in DFE / EFA grants. In addition, central charges for financial software and website development amounted to £25,186.

#### 11. Trustees' and officers' insurance

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was £2,297. (2015: £2,297). The cost of this insurance is included in the total insurance cost.

#### 12. Tangible fixed assets

	Leasehold improvements	Furniture and equipment	Computer Equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 September 2015	132,342	396,118	-	528,460
Additions	332,685	10,780	15,256	358,721
At 31 August 2016	<u>465,027</u>	<u>406,898</u>	<u>15,256</u>	<u>887,181</u>
<b>Depreciation</b>				
At 1 September 2015	2,647	19,951	-	22,598
Charge for the year	9,301	20,017	3,814	33,132
At 31 August 2016	<u>11,948</u>	<u>39,968</u>	<u>3,814</u>	<u>55,730</u>
<b>Net book values</b>				
At 31 August 2016	<u>453,079</u>	<u>366,930</u>	<u>11,442</u>	<u>831,451</u>
At 31 August 2015	<u>129,695</u>	<u>376,167</u>	<u>-</u>	<u>505,862</u>

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

#### 13. Debtors

	31 August 2016	31 August 2015
	£	£
VAT recoverable	279,751	90,384
Other debtors	44,128	-
Prepayments and accrued income	89,958	65,854
	<u>413,837</u>	<u>156,238</u>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 14. Creditors: amounts falling due within one year

	31 August 2016 £	Restated 31 August 2015 £
Trade creditors	375,290	570,471
Accruals and deferred income	27,358	25,361
	<u>402,648</u>	<u>595,832</u>

	31 August 2016 £	31 August 2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	10,087	-
Released from previous year	(10,087)	-
Resources deferred in the year	10,634	10,087
	<u>10,634</u>	<u>10,087</u>
Deferred income at 31 August 2016		

### 15. Funds

	Restated Balance at 01 September 2015 £	Incoming Resources £	Resources Expended £	Gains, losses and Transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General annual grant (GAG)	234,774	2,903,793	(3,090,840)	-	47,727
Pension reserve	(527,000)	-	(93,000)	(859,000)	(1,479,000)
	<u>(292,226)</u>	<u>2,903,793</u>	<u>(3,183,840)</u>	<u>(859,000)</u>	<u>(1,431,273)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	368,030	-	(18,401)	-	349,629
EFA capital grant	298,823	199,951	(14,731)	-	484,043
	<u>666,853</u>	<u>199,951</u>	<u>(33,132)</u>	<u>-</u>	<u>833,672</u>
<b>Total restricted funds</b>	<u>374,627</u>	<u>3,103,744</u>	<u>(3,216,972)</u>	<u>(859,000)</u>	<u>(597,601)</u>
<b>Total unrestricted funds</b>	<u>81,789</u>	<u>82,443</u>	<u>-</u>	<u>-</u>	<u>164,232</u>
<b>Total funds</b>	<u>456,416</u>	<u>3,186,187</u>	<u>(3,216,972)</u>	<u>(859,000)</u>	<u>(433,369)</u>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

### For the Year Ended 31 August 2016

#### 15. Funds (continued)

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

##### **Restricted general funds**

GAG must be used for the normal running costs of the academy trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Funds inherited on conversion were used for the normal running costs of the academy trust.

Other DfE/EFA and government grants are used specifically for the purpose for which they are intended.

The restricted Pension reserve represents the deficit on the two academies in the trust's share of the Local Government Pension Scheme as at 31 August 2016.

##### **Restricted fixed asset funds**

Transfer of fixed assets relates to the value applied furniture and equipment on conversion from schools to an academies.

EFA capital grant relates to expenditure incurred on leasehold improvements and furniture and equipment.

##### **Unrestricted funds**

Unrestricted funds relate to venue hire, before and after school clubs and catering income and may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Analysis by fund balance	Total Funds	Restated Total Funds
	31 August 2016 £	31 August 2015 £
Fund balances at 31 August 2016 were allocated as follows:		
St Anne's Catholic Primary Academy	151,089	171,968
Our Lady of Victories Catholic Primary Academy	60,870	144,595
Total before fixed assets and pension reserve	211,959	316,563
Restricted fixed asset fund	833,672	666,853
Pension reserve	(1,479,000)	(527,000)
<b>Total</b>	<b>(433,369)</b>	<b>456,416</b>

##### **Analysis by cost**

Expenditure (excluding depreciation) incurred during the year was as follows:

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total
St Anne's Catholic	1,071,333	152,815	259,101	147,472	1,630,721
Our Lady of Victories	1,032,610	125,344	189,311	205,854	1,553,119
	<b>2,103,943</b>	<b>278,159</b>	<b>448,412</b>	<b>353,326</b>	<b>3,183,840</b>



# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

### For the Year Ended 31 August 2016

#### 16. Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	831,451	831,451
Current assets	164,232	450,375	2,221	616,828
Current liabilities	-	(402,648)	-	(402,648)
Pension scheme liability	-	(1,479,000)	-	(1,479,000)
<b>Total net assets</b>	<b>164,232</b>	<b>(1,431,273)</b>	<b>833,672</b>	<b>(433,369)</b>

#### 17. Capital commitments

The academy trust did not have any capital commitments contracted for, but not provided in the financial statements at the year ended 31 August 2016 (2015: £Nil)

#### 18. Commitments under operating leases

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	31 August 2016	Restated 31 August 2015
	£	£
Amounts due within one year	17,885	9,551
Amounts due between one and five years	42,161	21,167
	<b>60,046</b>	<b>30,718</b>

#### 19. Reconciliation of net income to net cash inflow from operating activities

	31 August 2016	Restated 31 August 2015
	£	£
Net income for the reporting period (as per the statement of financial activities)	(30,785)	557,416
Depreciation (note 12)	33,132	22,598
Capital grants from EFA and other capital income	(199,951)	(302,051)
Transfer of fixed assets on conversion (excluding cash)	-	(387,400)
Defined benefit pension scheme obligation inherited	-	355,000
Defined benefit pension scheme cost less contributions payable (note 23)	75,000	57,000
Defined benefit pension scheme finance cost (note 23)	18,000	14,000
Increase in debtors	(257,599)	(156,238)
(Decrease) Increase in creditors	(193,184)	595,832
<b>Net cash provided by operating activities</b>	<b>(555,387)</b>	<b>756,157</b>

#### 20. Cash flows from investing activities

	31 August 2016	31 August 2015
	£	£
Purchase of tangible fixed assets	(358,721)	(141,060)
Capital grants from EFA	199,951	302,051
<b>Net cash provided by investing activities</b>	<b>(158,770)</b>	<b>160,991</b>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 21. Analysis of cash and cash equivalents

	Movement during year	At 31 August 2016	At 31 August 2015
			£
Cash at bank and in hand	(714,157)	202,991	917,148
Total cash and cash equivalents	(714,157)	202,991	917,148

### 22. 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.

### 23. Pension and Similar Obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 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 too for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

#### Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 23. Pension and similar obligations (continued)

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

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

The employer's pension costs paid to the TPS in the period amounted to £160,476 (2015: £167,858).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £156,000 (2015: £139,000), of which employer's contributions totalled £110,000 (2015: £98,000) and employees' contributions totalled £46,000 (2015: £41,000). The agreed contribution rates for future years are between 12.2% and 18.4% for employers and between 5.5% and 12.5% for employees.

On conversion to Academy status the Trust became the Scheme Employer of the West Yorkshire Local Government Pension Scheme. Recent actuarial valuations have disclosed a deficit within this Scheme. The Trust will make contributions to this Scheme in accordance with the terms of the Scheme and, under normal circumstances, any deficit would be expected to be repayable over an extended period of time of around 20 years. The Trust has been advised that a Parliamentary Minute has been laid before both Houses of Parliament that sets out the detail of the guarantee that states that in the event of closure of an academy trust that the Department for Education will meet any pension liabilities.

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 2016	At 31 August 2015
Rate of increase in salaries	3.50%	3.60%
Rate of increase for pensions in payment / inflation	2.00%	2.10%
Discount rate for scheme liabilities	2.00%	3.80%
Inflation assumption (CPI)	2.00%	2.10%
Inflation assumption (RPI)	3.10%	3.20%

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 2016	At 31 August 2015
Retiring today		
Males	22.7	22.6
Females	25.6	25.5
Retiring in 20 years		
Males	24.9	24.8
Females	28.0	27.8

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 23. Pension and similar obligations (continued)

The academy trust's share of the assets in the scheme were:

	Asset allocation at 31 August 2016	Fair value at 31 August 2016	Fair value at 31 August 2015
Equities	75.10%	1,357,808	1,083,093
Government bonds	11.20%	202,496	148,408
Corporate bonds	4.20%	75,936	65,642
Property	4.80%	86,784	64,215
Cash/liquidity	1.40%	25,312	21,405
Other	3.30%	59,664	44,237
<b>Total market value of assets</b>		<b>1,808,000</b>	<b>1,427,000</b>
 Present value of scheme liabilities		 <b>(3,287,000)</b>	 <b>(1,954,000)</b>
 - Funded			
<b>Deficit in the scheme</b>		<b>(1,479,000)</b>	<b>(527,000)</b>

The actual return on scheme assets was £278,000. (2015: £63,000).

### Amounts recognised in the statement of financial activities

	To 31 Aug 2016 £	Restated To 31 Aug 2015 £
Current service cost (net of employee contributions)	185,000	155,000
Net interest cost	18,000	14,000
<b>Total operating charge</b>	<b>203,000</b>	<b>169,000</b>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 23. Pension and similar obligations (continued)

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

	2016 £	Restated 2015 £
<b>At 1 September</b>	<b>1,954,000</b>	-
Upon conversion	-	1,584,000
Current service cost	185,000	155,000
Interest cost	73,000	78,000
Employee contributions	46,000	41,000
Actuarial (gain)/loss	1,082,000	100,000
Benefits Paid	(53,000)	(4,000)
<b>At 31 August</b>	<b>3,287,000</b>	<b>1,954,000</b>

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

	2016 £	2015 £
<b>At 1 September</b>	<b>1,427,000</b>	-
Upon conversion	-	1,229,000
Interest Income	55,000	64,000
Actuarial gain/(loss)	223,000	(1,000)
Employer contributions	110,000	98,000
Employee contributions	46,000	41,000
Benefits/Transfers Paid	(53,000)	(4,000)
<b>At 31 August</b>	<b>1,808,000</b>	<b>1,427,000</b>

# Blessed Christopher Wharton Catholic Academy Trust

## Notes to the Financial Statements (continued)

For the Year Ended 31 August 2016

### 24. Related Party Transactions

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

As explained in note 12, the Academy Trusts main buildings are owned by its Trustees who are The Diocese of Leeds and made available to Blessed Christopher Wharton Catholic Academies Trust without charge.

Services supplied by the Diocese of Leeds for Music / Choir provision, school contribution and appeals amounted to £8,173 (2015 - £2,036 and property services £29,558).

### 25. Events after the end of the reporting period

The following primary schools joined the academy trust on 1 October 2016:

St Joseph's Primary School Keighley

St Winefride's Primary School Bradford

St John the Evangelist Primary School Bradford

St Walburga's Primary School Shipley converted on 1st November 2016 to complete the four schools eligible for the chain grant of £80,000.

### 26. New Academies during the period

There were no new academies in the year to 31 August 2016. On 2 June 2014, St Anne's Catholic Primary Academy and Our Lady of Victories Catholic Primary became part of the academy trust and all the operations and assets and liabilities were transferred to Blessed Christopher Wharton Catholic Academy Trust from Bradford Council, for £nil consideration.

The previous period transfer to 31 August 2015 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 as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the comparative SOFA shown in note 27:

	Unrestricted Funds	Restricted General Fund	Restricted Fixed Asset Funds	Total 2015
	£	£	£	£
Furniture and equipment	-	-	387,400	387,400
Private funds surplus	46,895	-	-	46,895
LGPS pension deficit	-	(355,000)	-	(355,000)
Net assets / (liabilities)	46,895	(355,000)	387,400	79,295

# Blessed Christopher Wharton Catholic Academy Trust

## Statement of Financial Activities(including Income and Expenditure Account

For the Year Ended 31 August 2015

### 27. Statement of Financial Activities (including Income and Expenditure Account for the Period 2 June 2014 to 31 August 2015

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Restated Total 2 June 2014 to 31 August 2015
	£	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds:</b>				
Voluntary income	46,895	(355,000)	387,400	79,295
Activities for generating funds	34,894	-	-	34,894
Investment income	-	17,000	-	17,000
<b>Incoming resources from charitable activities:</b>				
Funding for the academy trust's educational operations	-	3,308,331	302,051	3,610,382
<b>Total incoming resources</b>	<b>81,789</b>	<b>2,970,331</b>	<b>689,451</b>	<b>3,741,571</b>
<b>RESOURCES EXPENDED</b>				
<b>Charitable activities:</b>				
Academy trust educational operations	-	3,151,969	22,598	3,174,567
Governance costs	-	9,588	-	9,588
<b>Total resources Expended</b>	<b>-</b>	<b>3,161,557</b>	<b>22,598</b>	<b>3,184,155</b>
<b>Net incoming resources before transfers</b>	<b>81,789</b>	<b>(191,226)</b>	<b>666,853</b>	<b>557,416</b>
Gross transfers between funds	-	-	-	-
<b>Net income for the period</b>	<b>81,789</b>	<b>(191,226)</b>	<b>666,853</b>	<b>557,416</b>
<b>Other recognised gains and losses</b>				
Actuarial losses on defined benefit pension schemes	-	(101,000)	-	(101,000)
<b>Net movement in funds</b>	<b>81,789</b>	<b>(292,226)</b>	<b>666,853</b>	<b>456,416</b>
<b>Total funds carried forward at 31 August 2015</b>	<b>81,789</b>	<b>(292,226)</b>	<b>666,853</b>	<b>456,416</b>

All of the academy trust's activities derive from continuing operations during the above financial periods.

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