

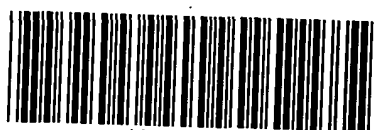
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**Saint Nicholas Owen Catholic  
Multi Academy Company**

**Annual Report and Financial Statements**

**Period Ended 31 August 2015**

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COMPANIES HOUSE

**Company Registration Number:  
09174154 (England and Wales)**

**Saint Nicholas Owen Catholic Multi Academy Company  
Financial Statements for the Period Ended 31 August 2015**

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# Saint Nicholas Owen Catholic Multi Academy Company

## Financial Statements for the Period Ended 31 August 2015

### Reference and Administrative Details

Members	Barberi and Newman Academy Trust Cathedral House St Chads Queensway Birmingham B4 6EU	
Trustees	Birmingham Roman Catholic Diocesan Trustees (Charity 234216) Cathedral House, Saint Chad's Queensway, Birmingham B4 6EX	
Directors <i>(Current at signing see P 14 for full details)</i>	Paulette Berry Mary Carns Deirdre Finucane Joanna Griffin (Chair) Terence (Ted) Hammond Aaron Harlow David Harris	Benjamin Mc Ardle Maxine Millward Peter Parry Christopher Piggott John Polychronakis Clare van Vliet Darren Kehoe
Company Secretary	Karl Wilcox	
Accounting Officer	Terence (Ted) Hammond	
Finance Director/ Principal Finance Officer:	Karl Wilcox	
Academy Senior Leadership: Hagley Catholic High	Ted Hammond – Principal Suzanna Horan – Vice Principal	
St Ambrose Catholic Primary	Ian Clubley – Principal Helen Stewart – Vice Principal	
St Joseph's Catholic Primary	Andrew Carry – Principal Vacancy – Vice Principal	
St Mary's Catholic Primary	Olga O'Beirne – Principal 2 x Assistant Principals	
St Wulstan's Catholic Primary	Susanna Goddard – Principal Kim Savage – Vice Principal	
Our Lady of Fatima Catholic Primary	Clare van Vliet – Principal Daniel O'Connor – Vice Principal	
Principal and Registered Office	Hagley Catholic High School Brake Lane Hagley Worcestershire DY8 2XL	
Company Registration Number	09174154 (England and Wales)	
Independent Auditor	Moore Stephens LLP 35 Calthorpe Road Birmingham B15 1TS	
Bankers	Lloyds Bank plc (Stourbridge) PO Box 1000 BX1 1LT	
Solicitors	Howes Percival LLP Oxford House Cliftonville Northampton NN1 5PN	

# **Saint Nicholas Owen Catholic Multi Academy Company**

## **Financial Statements for the Period Ended 31 August 2015**

### **Directors' Report**

The directors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1<sup>st</sup> October 2015 to 31 August 2015. The annual report serves the purposes of both a directors' report, and a trustees' report under company law.

The Saint Nicholas Owen Catholic Multi Academy Company operates five primary schools (St Ambrose – Kidderminster; St Joseph's – Stourbridge; St Mary's - Brierley Hill; St Wulstan's – Stourport on Severn and Our Lady of Fatima – Harborne) and one secondary school (Hagley Catholic High – Hagley) across the West Midlands area to the south west of Birmingham. Each primary school has the capacity to accommodate two hundred and ten pupils and the secondary school can accommodate (including post 16) one thousand and sixty six pupils. The total potential combined pupil population of Saint Nicholas Owen Catholic Multi Academy Company is therefore two thousand one hundred and sixteen (2,116). At September 2015 the combined actual pupil population on roll as recorded in the school census on 1<sup>st</sup> October 2015 stood at two thousand and ninety two (2,092).

### **Structure, Governance and Management**

#### **Constitution**

Saint Nicholas Owen Catholic Multi Academy Company is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy company. Saint Nicholas Owen Catholic Multi Academy Company is one of many such Catholic multi academy companies that are formed within the umbrella charitable trust of the Birmingham Diocese of the Catholic Church. This umbrella charitable trust is the Barberi and Newman Academy Trust (Company number 8183803). Saint Nicholas Owen Catholic Multi Academy Company consequently has a single member which is the Barberi and Newman Academy Trust.

The Trustees' are the Birmingham Roman Catholic Diocesan Trustees who are registered as a body corporate under Part 12 of the Charities Act 2011 (Registered charity number 234216). The charitable company is known as the Saint Nicholas Owen Catholic Multi Academy Company and the majority of trustee responsibilities are delegated to its directors within the Articles of Association, Master Funding Agreement and Scheme of Delegation.

A list of the Directors is included in the Reference and Administrative Details on page 2. Those marked with a \* were appointed after the financial year end but are current Directors at the time the accounts are signed (see page 14 for dates of resignation and appoint).

#### **Members' Liability**

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

#### **Directors' Indemnities**

In accordance with the normal commercial practice the Company has purchased insurance to protect its Members, Directors, Academy Representatives and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust /Company business. The insurance provider provides up to £3,000,000 in aggregate claims.

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

Full details are set out within the Articles of Association which detail the type, number and process of appointing Directors. The minimum total number of Directors is three but there is no maximum specified (Article 45). All Directors must, upon appointment or election, sign a written undertaking to the Founder Member, the Directors and the Catholic Diocesan Bishop (Article 45A). The form of that undertaking is set out as Annexure 2 of the Articles.

# **Saint Nicholas Owen Catholic Multi Academy Company**

## **Financial Statements for the Period Ended 31 August 2015**

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

Subject to Articles 46 to 49 the Company shall have the following Directors:

- (a) such number of Foundation Directors so as to constitute a majority of the Directors by at least two (2) from time to time and shall be appointed under Article 50. No such Foundation Director shall be or become an employee of the Company;
- (b) a maximum of two (2) Staff Directors appointed under Article 50B;
- (c) two (2) Parent Directors appointed under Articles 53-56B;
- (d) a maximum of 2 of the Principals of the Academies may be appointed as Directors under Articles 51A and 52;
- (e) the Executive Principal (if any) appointed in accordance with Article 57A;

The Company may also have any Co-opted Director appointed under Article 58.

The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Future Directors shall be appointed or elected, as the case may be, under these Articles.

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

New Directors and Academy Representatives are formally written to on appointment and supplied with relevant details on Governance as well as a copy of the Scheme of Delegation and information from the Birmingham Diocese. They are given access to a dedicated web portal which contains presentations from past training events, information, material and links to key documents and policies.

Training is also available from both internal and external providers. This is made available and Directors/Representatives are encouraged to attend. Opportunities for key governance members to meet others and senior teams are made available as well as contributing to strategic leadership through targeted group meetings of Chairs and Principals.

#### **Organisational Structure**

The Board of Directors have the ultimate responsibility for the Saint Nicholas Owen Multi Academy Company. Where appropriate, duties are either delegated to a directors subcommittee or to Academy Committee/s. The key delegation to Academy Committee level is set out within a written Scheme of Delegation.

The Accounting Officer is also a Principal Director of the Company and has ultimate responsibility for the financial operations and controls in place. Delegation of financial responsibility is set out within the Company's Financial Regulations and more specifically in the Scheme of Financial Delegation (Financial Regulations – Appendix N).

Leadership and Management across the Multi Academy is delegated by Directors to the Senior Leadership Team of each Academy.

The Board of Directors maintains overall control for:

- the activities and performance of the Company.
- the appointment of Directors and Academy Representatives.
- significant external partners.
- Principal/Vice Principal appointments
- the approval of Annual Financial Statements and Budgets.
- ratifying policies and procedures implemented within the Company.

The Board, in the performance of its duties, pays due regard to the advice and information provided by the supporting committees and Academy Committees.

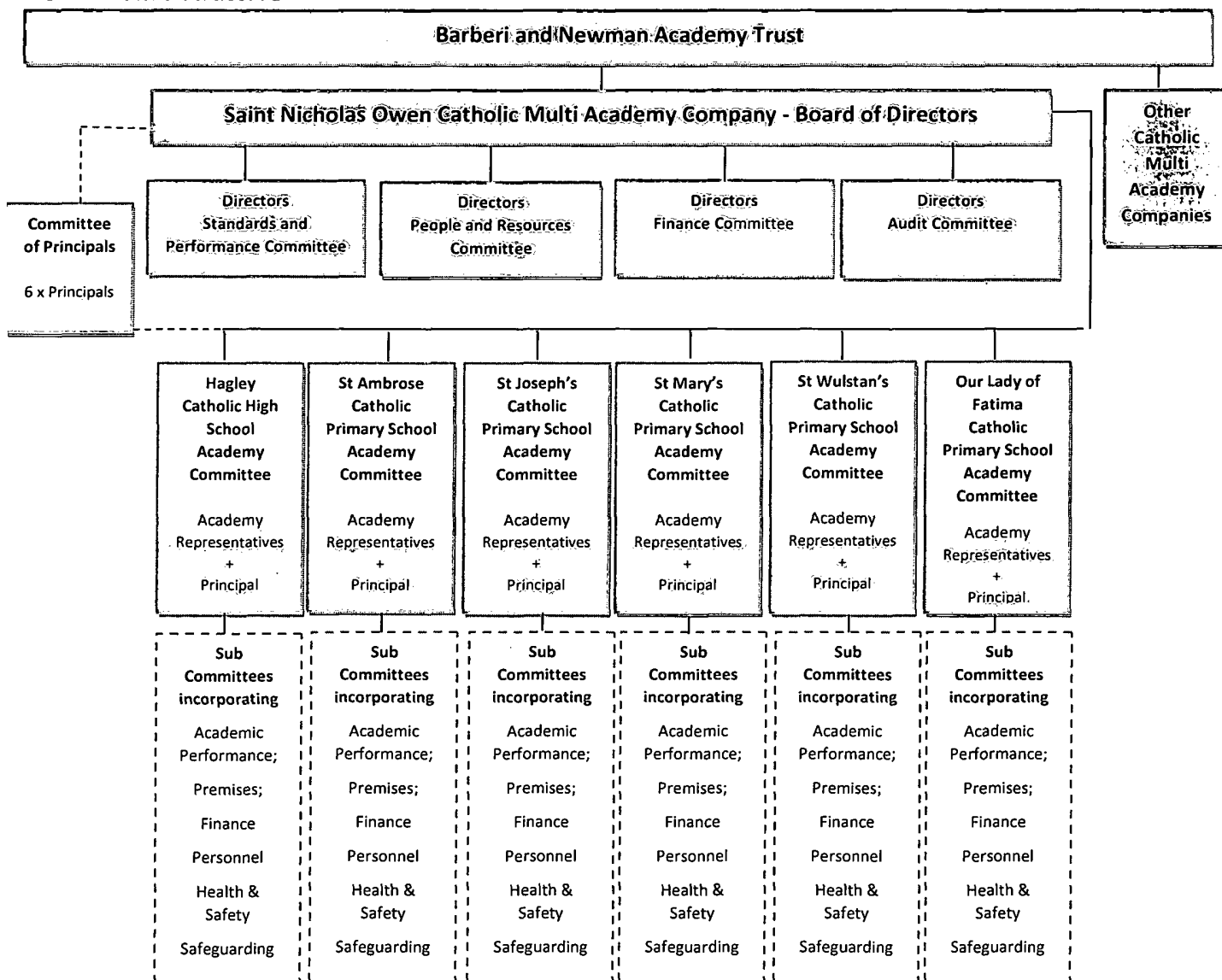
**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Directors' Report (continued)**

**Purpose and Core Function of Directors Subcommittees**

Standards and Performance	People and Resources	Finance	Audit
<b>Key Responsibilities:</b>			
<ul style="list-style-type: none"> <li>• Educational performance</li> <li>• Educational standards</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel</li> <li>• Buildings and Grounds</li> <li>• Health, Safety and Wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Planning</li> <li>• Financial Performance</li> <li>• Financial Management</li> </ul>	<ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Compliance</li> <li>• Internal Control</li> <li>• Value for Money</li> </ul>
<b>Core Functions</b>			
<b>To:</b>			
<ul style="list-style-type: none"> <li>• consider the Catholic ethos of the SNOMAC schools and make recommendations to sustain, nourish and develop it.</li> <li>• make recommendations to the Board and to the individual School Committees on issues relating to the educational character and mission.</li> <li>• receive and consider reports from the appointed School Improvement Partners and to implement recommendations</li> <li>• To have strategic oversight of standards and performance across all Saint Nicholas Owen Catholic Multi-Academy Schools including the following aspects:- <ul style="list-style-type: none"> <li>➢ Safeguarding</li> <li>➢ Achievement and Progress for all groups of learners</li> <li>➢ Pupil Premium, Gifted &amp; Talented and Special Educational Needs</li> <li>➢ Whole School Reviews (External and Internal)</li> <li>➢ Progress and Achievement data at all levels: external and, as appropriate, internal</li> <li>➢ Ofsted and Diocesan inspections and reports</li> <li>➢ School Development / Improvement Plans</li> <li>➢ School Profiles and Self Evaluations</li> <li>➢ Staff, Parent and Learner Questionnaires</li> <li>➢ Target Setting for End of Key Stage Statutory Testing / Public Examinations</li> <li>➢ Curriculum and Assessment policies and practice</li> <li>➢ Reporting to parents</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• review the staffing structure for each Academy .</li> <li>• ensure good personnel practice is employed.</li> <li>• ensure the selection and induction of all new staff is professionally and rigorously carried out.</li> <li>• ensure that the professional development needs of all staff are being properly addressed.</li> <li>• to act as first /review panel for business relating to staff pay and conditions and redundancy.</li> <li>• ensure compliance with safer recruitment procedures.</li> <li>• review the relevant personnel and staff related policies and procedures.</li> <li>• ensure appropriate consultation with recognised trade unions and other recognised representatives.</li> <li>• ensure health and safety compliance with current regulation.</li> <li>• ensure relevant and effective communication with the communities served.</li> <li>• ensure a unified approach is applied to communications with the media.</li> </ul>	<ul style="list-style-type: none"> <li>• consider indicative grant funding to assess its implications for the Company.</li> <li>• perform the initial review of the annual budget and make recommendation to the BoD.</li> <li>• contribute, to the formulation of each Academy's Development Plan.</li> <li>• receive and make recommendations on the broad budget headings to be adopted each year, including the level and use of reserve funds.</li> <li>• monitor and review expenditure to ensure compliance with financial plans and the regulations of the EFA.</li> <li>• monitor and review financial policies &amp; procedures.</li> <li>• review the Draft Statutory Annual Financial Statement and Reports of the Company and recommend for acceptance.</li> <li>• make recommendation to the BoD in respect of capital expenditure.</li> <li>• approve the awarding of any contracts or purchase orders over set limits.</li> <li>• ensure that the Company receives value for money from all goods and services procured or contracted.</li> </ul>	<ul style="list-style-type: none"> <li>• review the Company's internal and external financial statements and reports to ensure that they reflect best practice</li> <li>• monitor the integrity of the financial statements of the Company.</li> <li>• consider and advise the BoD on the Company's annual and long-term audit programme.</li> <li>• to make recommendations regarding the appointment, reappointment and removal of the external auditor.</li> <li>• discuss with the external auditor the nature and scope of each forthcoming audit and the findings of the audit once completed.</li> <li>• consider all relevant reports by the Accounting Officer, any internal/external auditors.</li> <li>• monitor the implementation of action to address adverse control findings.</li> <li>• review the effectiveness of the Company's internal control system.</li> <li>• review the operation of the Company's codes of practice.</li> </ul>

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Directors' Report (continued)**

**Governance Structure**



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

The Company through Hagley Catholic High School is associated with the Continu Trust. This is a not for profit body set up with the aim of fostering effective working relationships and cooperation between local secondary schools in the Wyre Forest and adjoining areas.

**Objectives and Activities**

**Objects and Aims**

Saint Nicholas Owen Catholic Multi Academy Company is restricted in its principal object and in its aims through a number of funding agreements with the EFA and agreements including leases with the Catholic Church. Funding is granted to the Company by the EFA in order to advance for the public benefit, education in the United Kingdom. This will include establishing, maintaining, carrying on,

# **Saint Nicholas Owen Catholic Multi Academy Company**

## **Financial Statements for the Period Ended 31 August 2015**

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

managing and developing schools/academies which offer a broad and balanced curriculum. These schools/academies will be conducted as Catholic schools/academies in accordance with the Code of Canon Law of the Latin Church and the doctrinal, social and moral teachings of the Catholic Church as advised from time to time by the directives and policies issued by the Diocesan Bishop; so as to ensure that formation, governance and education within Saint Nicholas Owen Multi Academy Company schools and academies is based on the principals of Catholic doctrine, and at all times serving as a witness to the Catholic faith in our Lord Jesus Christ.

#### **Our Motto**

Learn Well; Live in Christ; Serve Others

#### **Our Mission**

Saint Nicholas Owen Catholic Multi Academy Company is '....committed to excellent education for all, based on Catholic virtues and values, a passion for life-long learning and Christ's example of service to the community'.

#### **Objectives, Strategies and Activities 2014 - 15**

##### **Hagley Catholic High School**

- Develop the effectiveness of Marking & Written feedback to support students secure maximum progress— Year 3 of 3
- Develop effective SEND provision to support the students make appropriate progress – Year 2 of 3
- Post 16 RAP – develop teaching strategies to support a focus on student progress – Year 3 of 3
- Develop effective strategies to ensure outstanding stud Behaviour Management – Year 3 of 3
- Develop strategies to ensure that E-Safety is effective and appropriate – Year 2 of 3
- Develop the monitoring and evaluation of the Catholic Life of the school – Year 2 of 3
- Develop and secure the Internal Self Review programme— Year 2 of 3
- Address the challenges of external Curriculum Development in KS3 to 5 – Yr 1 of 3
- Develop support strategies for disadvantaged student who receive Pupil Premium funding so that they make appropriate progress – Year 1 of 3

##### **Our Lady of Fatima Catholic High School**

- To improve whole school progress in writing, especially for 'middle achievers'
- Further develop use of target tracker to analyse pupil achievement and use this to bring about progress in individual and overall attainment as appropriate
- To design a cohesive, integrated creative curriculum that delivers core knowledge, skills and understanding for History, Geography, Art and Design, Design and Technology and Music
- To plan a cohesive and comprehensive plan to utilise the Sport Premium Funding and deliver the reporting arrangements to meet DfE requirements
- To undertake a review of existing good practice in terms of E-Safety with the intention of achieving the E-Safety Mark.

##### **St Ambrose Catholic Primary School**

- To raise the attainment & progress of writing across the school in order to reduce the gap between writing and reading/mathematics
- To further develop our pupils as reflective and self-improving learnersTo provide more effective use of Pupil Premium funding and communicate this effectively to stakeholders
- To develop core subject leader understanding of data in order to perform basic data analyses of their subject
- To improve lunchtime behaviour following appropriate Lunchtime Supervisors training



# **Saint Nicholas Owen Catholic Multi Academy Company**

## **Financial Statements for the Period Ended 31 August 2015**

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

#### **St Joseph's Catholic Primary School**

- Increase the amount of teaching that is outstanding and make sure that all teaching is at least good
- Improve pupils' achievement in Writing so that attainment is above the national average at the end of Key Stage 2 (L4b+)
- Plan and implement for the new curriculum across the school including an effective tool to track pupil progress
- Conversion to Saint Nicholas Owen Multi-Academy Company.

#### **St Mary's Catholic Primary School**

##### **Achievement**

- Assessment, tracking and target setting to be enhanced leading to improved outcomes for all individuals and groups.
- Further raise achievement in writing through the introduction of rigorous tracking & intervention, engaging new teaching methods & learning opportunities.
- Quality of Teaching - Lessons to be "GOOD TO OUTSTANDING" across the school
- Encourage independent learning & thinking skills through the provision of broad and balanced revised cross curricular approach. Further enhance sports provision for all children through effective use of available funding.

##### **Behaviour and Safety**

- Enhance children's understanding of how to remain safe when using internet or social media sites. Develop more effective use of playground to enhance play opportunities for all children.

##### **Quality of Leadership and Management**

- To fully develop the role of Academy Representatives & Middle leaders in driving whole school improvement priorities
- Successful annual Appraisal process to be extended to include teaching assistants, support staff and office staff leading to enhanced performance at all levels.

##### **Religious Education**

- Involving the children more fully in organising collective worship.

#### **St Wulstan's Catholic Primary School**

- To narrow gap in attainment between reading and writing at end of KS1 and KS2
- To raise standards in mathematics across the school
- To challenge and extend learning of more able pupils in Upper KS2
- To enhance the Catholic life of the school through an increased focus on collective worship with pupils playing a more active role in preparing and leading worship
- To ensure the implementation of the new National Curriculum across the school

#### **Public Benefit**

The Directors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers and duties. They have referred to this guidance when reviewing the Company's aims and objectives and in planning its future activities.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Directors' Report (continued)**

**Strategic Report**

**Achievements and Performance**

**Hagley Catholic High School**

**Key Stage 4 Data**

**Expected Level of Progress**

5A* - C including English and Maths	81%		
5A* C	86%		
A*C English	84%	KS2 to KS 4	74%
A* C Maths	93%	KS2 to KS4	81%
A – C both English and Maths	83%		
Progress 8	0.24	Significant positive	
Attainment 8 Score	59.4		
Best 8 Average points score	360		
EBacc	28%		

**Post 16 (A Level)**

A*- B	55%	
A*-E	97%	
3+ A*- E	99%	
2+ A*-E	100%	
Average Point Score Per Entry	209	
Average Point Score Per Student	965	

**Our Lady of Fatima Catholic High School**

Early Years Foundation Stage 77%

Year 1 Phonic Check: 77%

**Key Stage 1 Data**

Attainment	2c+	2b+	3+
Reading	97%	93%	47%
Writing	97%	83%	33%
Maths	97%	97%	43%

**Key Stage 2 Data**

Attainment	4+	5+		Progress KS1-KS2	2 Levels (Expected)	3 Levels +
Reading	100%	60%			97%	33%
Writing	97%	50%			100%	37%
Maths	100%	63%			97%	37%

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Directors' Report (continued)**

**St Ambrose Catholic Primary School**

Early Years Foundation Stage 68%

Year 1 Phonic Check: 73%

**Key Stage 1 Data**

Attainment	2c+	2b+	3+
Reading	93%	73%	33%
Writing	93%	77%	7%
Maths	93%	83%	17%

**Key Stage 2 Data**

Attainment	4+	5+		Progress KS1-KS2	2 Levels (Expected)	3 Levels +
Reading	81%	46%			85%	35%
Writing	85%	23%			96%	23%
Maths	69%	46%			96%	48%

**St Joseph's Catholic Primary School**

Early Years Foundation Stage 57%

Year 1 Phonic Check: 87%

**Key Stage 1 Data**

Attainment	2c+	2b+	3+
Reading	97%	97%	30%
Writing	97%	80%	23%
Maths	97%	90%	40%

**Key Stage 2 Data**

Attainment	4+	5+		Progress KS1-KS2	2 Levels (Expected)	3 Levels +
Reading	97%	80%			96%	41%
Writing	93%	43%			96%	26%
Maths	93%	63%			96%	48%

**St Mary's Catholic Primary School**

Early Years Foundation Stage 60%

Year 1 Phonic Check: 84%

**Key Stage 1 Data**

Attainment	2c+	2b+	3+
Reading	87%	84%	16%
Writing	87%	71%	13%
Maths	84%	77%	6%

**Key Stage 2 Data**

Attainment	4+	5+		Progress KS1-KS2	2 Levels (Expected)	3 Levels +
Reading	97%	50%			97%	17%
Writing	87%	33%			93%	13%
Maths	93%	50%			97%	50%

# Saint Nicholas Owen Catholic Multi Academy Company

## Financial Statements for the Period Ended 31 August 2015

### Directors' Report (continued)

#### St Wulstan's Catholic Primary School

Early Years Foundation Stage 86%

Year 1 Phonic Check: 75%

#### Key Stage 1 Data

Attainment	2c+	2b+	3+
Reading	79%	66%	24%
Writing	79%	62%	7%
Maths	72%	62%	7%

#### Key Stage 2 Data

Attainment	4+	5+		Progress KS1-KS2	2 Levels (Expected)	3 Levels +
Reading	83%	50%			90%	23%
Writing	80%	43%			100%	40%
Maths	80%	37%			87%	23%

#### Going Concern

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

#### Financial Review

The Company is principally funded by government grant which is obtained from the Education Funding Agency (EFA) under a funding agreement. This is recurrent annual grant funding paid in monthly instalments or on other specified dates and for a specified purpose. The use of these funds is therefore restricted. Grants of this nature received from the EFA for the period to 31<sup>st</sup> August 2015 and associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Company has put in place a set of detailed Financial Regulations and other associated policies in order to facilitate sound financial management and control across all of its academies and operations. These serve to minimise risk and to ensure conformity with the requirements of propriety and regularity. They include: Cash Management, Payroll Procedures, Purchasing, Budget Setting, Petty Cash, Charge Cards, Investment, Risk Management, Virement, Bank Accounts/BACs/Fasterpayment, Fixed Assets, VAT, Trips, Uniform, Tendering, Write-offs, Irregular or Improper Transactions, Leases, Connected Parties, Whistleblowing, Anti Bribery and Corruption (including gifts/hospitality), Expenses and Conflict of Interest policy. Clear financial limits and responsibilities are set out within a written Scheme of Financial Delegation.

This is the first year of the Company's operation and the level of reserves held at the end of the first year are set out below.

#### Reserves Policy

The Company regularly (at least annually) reviews the level of reserve in accordance with the requirements set out within the Master Funding Agreement with the EFA. The level of general reserves held (excluding pensions and fixed assets) as at 31<sup>st</sup> August 2015 is £1,416,000. See notes to the financial accounts for a breakdown of the reserves held.

# **Saint Nicholas Owen Catholic Multi Academy Company**

## **Financial Statements for the Period Ended 31 August 2015**

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

#### **Investment Policy**

The Directors manage and control investment of funds in accordance with Appendix I of the Financial Regulations. The emphasis of this policy is centred on maximising investment income whilst protecting the funds invested. The policy is reviewed regularly by the Finance Committee. The Company has, in this first year of operation, chosen not to invest any funds in order to prioritise cash flow.

#### **Principal Risks and Uncertainties**

The Board of Directors have approved a risk management policy and strategy which is set out as Appendix J to the Financial Regulations. In accordance with policy the Company maintains a Risk Register through which it identifies and manages risks in four key focus areas. These are Strategic and Reputational (Risk 1), Operational (Risk 2), Compliance (Risk 3) and Financial (Risk 4). Processes, procedures and control mechanisms have been implemented by the Directors to mitigate the risks identified. The Risk Register is reviewed regularly by the Finance Committee.

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

##### **Hagley Catholic High School**

- To ensure that there is appropriate pace and challenge to maximise pupil progress in lessons – Year 1 of 3
- To develop our provision for SEND to ensure that they work towards their full potential – Year 3 of 3
- For our post 16 students continue with a relentless drive to improve individual measures of progress with a focus on developing provision of opportunity.
- Develop behaviour within lessons to support the academic progress of students – Year 1 of 3
- SHO: Conclude our three year programme of developing the highest standards of E-Safety – Year 3 of 3
- Develop effective monitoring and evaluation of the Catholic Life of the school – Year 3 of 3
- Conclude a three year programme of Internal Self Review of all department areas and develop the programme for a new cycle – Year 3 of 3
- Work with all colleagues to develop and embed the Curriculum Development programme is Key Stage 3 to 5 – Year 2 of 3
- To continue to provide high quality support to all Disadvantage students so that the gaps in attainment, progress and attendance are reduced – Year 2 of 3
- Develop our effective Literacy across the curriculum strategies – Year 2 of 2

##### **Our Lady of Fatima Catholic High School**

- To contribute the Catholic ethos of the school and the Religious and spiritual and development of all pupils by leading and modelling Collective Worship to empower pupils to take a leading role in Worship.
- To analyse the progress in reading of all pupils to identify all underachieving pupils from all groups of learners and from this analysis, prepare, plan, deliver and assess against the new National Curriculum so that 90% of pupils work at or above their age related band.
- To further develop knowledge and understanding of Target Tracker to continuously assess without levels using statements and steps.
- To create a Forest school within our setting (2015-2017).

##### **St Ambrose Catholic Primary School**

- To raise the progress and attainment for low achievement learners
- Raise standards in Writing: Improve the quality and quantity of pupils written work, which includes reflection and improvement opportunities for pupils
- To improve the effectiveness of school communication with all stakeholders, including, targeted, specific information and training events for parents & an improved website that is informative and responsive to stakeholder needs and expectations
- To embed British Values throughout the curriculum providing evidence of pupil understanding and respect for these values
- Committee Member Training: Academy Committee Members to actively support the on-going development of the school

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Directors' Report (continued)**

**St Joseph's Catholic Primary School**

**School Development Plan 2015-2016 – Whole School Priorities**

- Increase the amount of teaching that is outstanding and make sure that all teaching is at least good
- Continue to improve pupils' achievement in writing so that attainment is above the national average at the end of Key Stage 1 and 2
- Continue to develop the school curriculum including an effective tool to track pupil progress
- Implement New National Curriculum across Year 2 and Year 6
- Ensure that the EYFS outcomes are above national expectations at the end of the academic year

**St Mary's Catholic Primary School**

- To increase attainment and progress in writing across all key stages
- To increase attainment and progress in all subjects in KS1
- To narrow the gap in attainment between pupils eligible for the pupil premium and other pupils across all key stages

**St Wulstan's Catholic Primary School**

- Review the teaching of phonics so that a greater proportion of pupils achieve the threshold in the Year 1 Screening assessment and make more use of their phonic knowledge to support spelling when they are writing independently.
- Improve the progress made by pupils in Key Stage 1 particularly in reading and mathematics.
- Improve teaching of reading in Key Stage 2 to ensure that pupils are given the necessary skills to make more than expected progress.
- Ensure that all groups of children make better than expected progress in mathematics, specifically boys, low attainers and SEN pupils.
- Ensure 100% good teaching and secure 40% minimum, outstanding teaching.

**Funds Held as Custodian Director on Behalf of Others**

The Company holds no such funds and does not act as a Custodian Director for any other charity.

**Auditor**

Insofar as the Directors are aware:

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

**Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 14<sup>th</sup> December 2015 and signed on the board's behalf by:**

Signed .....  ..... Joanna Griffin – Director

Date ..... 14.12.15 .....

# Saint Nicholas Owen Catholic Multi Academy Company

## Financial Statements for the Period Ended 31 August 2015

### Governance Statement

#### Scope of Responsibility

As Directors we acknowledge we have overall responsibility for ensuring that Saint Nicholas Owen Catholic Multi Academy Company 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 Directors has delegated the day-to-day responsibility to the Principal of Hagley Catholic High School, Ted Hammond, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Saint Nicholas Owen Catholic Multi Academy Company and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Directors' Report and Statement of Director's Responsibilities. The Board of Directors has formally met eight times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Type	Meetings attended	Out of a possible
Paulette Berry (from 8/12/14)	Staff	4	6
Barbara Boffey (to 31/8/15)	Principal	6	8
Mary Carns	Foundation	7	8
Deirdre Finucane	Foundation	8	8
Joanna Griffin (Chair)	Foundation	8	8
Terence (Ted) Hammond	Principal	8	8
Aaron Harlow	Foundation	5	8
David Harris (from 1 /12/14)	Parent	6	6
Darren Kehoe	Foundation	6	8
Benjamin Mc Ardle (from 8/12/15)	Staff	5	6
Maxine Millward (from 1/12/14)	Parent	4	6
John Moran (to 9/11/15)	Foundation	5	8
Peter Parry (from 16/11/15)	Foundation	0	0
Christopher Piggott (from 13/10/14)	Foundation	5	7
John Polychronakis (from 23/1/15)	Foundation	4	4
Stephen Rayner (to 14/9/15)	Foundation	2	8
Clare van Vliet (from 1/9/15)	Foundation	0	0

Key changes to the Board of Directors over the period:

Since formation in October 2014 the Board has been further strengthened by the introduction of elected Parent Directors (2 Harris/Millward) and Staff Directors (2 Berry/McArdle). In addition to this Christopher Piggott – Solicitor and John Polychronakis – Ex CEO Dudley MBC have joined the Board as Foundation Directors. Other changes post year end include Clare van Vliet who has replaced Barbara Boffey as a Principal Director and Peter Parry has replaced Stephen Rayner as a Foundation Director.

# Saint Nicholas Owen Catholic Multi Academy Company

## Financial Statements for the Period Ended 31 August 2015

### Governance Statement (continued)

#### Governance Review

In accordance with the requirements for a newly established multi academy company Saint Nicholas Owen undertook a full Financial Management and Governance Self- Assessment (FMGS) exercise in January 2015. The outcome of this was submitted to the Education Funding Agency by the required deadline. Five areas were identified as requiring improvement:

- Appointment of Principal as an ex officio Director
- Extending financial regulations to compete all elements
- Creation of an overarching Business Continuity Plan for the MAC
- Approving a revised competitive tendering policy
- Approving an internal audit programme

The Audit Committee approved an action plan of works to address the areas of concern and then monitored progress against this plan at each committee meeting. All remedial works were duly completed to the satisfaction of the Finance Committee.

The next review of Governance will be conducted in January 2016.

#### Finance Committee

This is a sub- committee of the main board. The purpose of the Finance Committee is to assist the decision making of the BoD by enabling more detailed consideration to be given to the best means of fulfilling the Company's responsibility to ensure sound management of the Company's finances and resources, proper planning, monitoring and probity.

Any major issues or risks identified from the work of the Committee together with recommended solutions, will be referred to the Board of Directors for ratification and inclusion within the Company's Risk Management strategies.

The work of the Committee in the first year of operation has been centred on establishing and maintaining financial control of a new six school multi academy company. There have been many new processes to understand, design approve and implement or simply adhere to.

Membership of the Finance Committee comprises of:

<i>Director (Director)</i>	<i>Role</i>	<i>Meetings Attended</i>	<i>Out of a possible</i>
Mary Carns		4	6
Terence (Ted) Hammond	Accounting Officer	6	6
Aaron Harlow		5	6
Darren Kehoe	Chair	6	6
John Polychronakis		4	4

Also in attendance:

Karl Wilcox                      Finance Director (Business Director)

#### Audit Committee

This too is a sub- committee of the main board and was established as a separate committee in accordance with the regulations laid down in the Academies Financial Handbook 2014.

The role of the Committee is to maintain an oversight of the Company's governance, risk management, internal control and value-for-money framework. It will reports its findings to the Board of Directors and to the Accounting Officer as a critical element of the Company's annual reporting requirements.



**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Governance Statement (continued)**

Membership of the Audit Committee comprises of:

<i>Director (Director)</i>	<i>Role</i>	<i>Meetings Attended</i>	<i>Out of a possible</i>
Mary Carns		4	6
Terence (Ted) Hammond	Accounting Officer	6	6
Aaron Harlow		5	6
Darren Kehoe	Chair	6	6
John Polychronakis		4	4

Also in attendance:

Karl Wilcox                      Finance Director (Business Director)

The vast majority of work during the first year of operation has been centred on designing and introducing standardised corporate financial regulations and methods and procures of sound internal control.

**Review of Value for Money**

As accounting officer the Principal of Hagley Catholic High School has responsibility for ensuring that the academy Company 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 Company's use of its resources has provided good value for money during each academic year, and reports to the board of Directors where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy Company has delivered improved value for money during the year by:

- Competitive tendering as one contract for all schools (e.g. payroll and HR services).
- Challenging providers to give better rates (e.g. insurances).
- Comparing prices paid for goods and services across six schools (Service level agreements and larger contracts).
- Reviewing and realignment of Teaching Assistants to ensure that they are delivering effective support and pupil progress.
- Utilising secondary school based specialist staff to support primary schools.
- Collaborating with Haybridge High School in the joint provision of post 16 courses.
- Provision of training events for management and staff across all schools.
- Standardising financial systems.
- Centralising some back office provision.

**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 company 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 Saint Nicholas Owen Catholic Multi Academy Company for the period 1<sup>st</sup> October 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Board of Directors (Directors) has reviewed the key risks to which the academy company is exposed to together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy company's significant risks that has been in place for the period 1<sup>st</sup> October 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Governance Statement (continued)**

**The Risk and Control Framework**

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

The Business Director reports regularly to the various committees and presents a variety of papers including financial reports.

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint DRB Schools and Academies Ltd as internal auditor

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

- reviewing the scope and completeness of financial regulations
- testing planned income against actual
- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a six monthly basis, the auditor reports to the Board of Directors, through the Audit committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

**Review of Effectiveness**

As accounting officer the Principal of Hagley Catholic High School 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 internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy Company 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 Audit Committee and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 14<sup>th</sup> December 2015 and signed on its behalf by:

Signed .....  
Joanna Griffin – Chair/ Director  
Date ..... 14.12.15

Signed .....  
Ted Hammond – Accounting Officer  
Date ..... 14/12/15

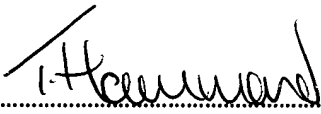
**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Statement on Regularity, Propriety and Compliance**

As accounting officer of Saint Nicholas Owen Catholic Multi Academy Company I have considered my responsibility to notify the multi academy Company board of Directors (Saint Nicholas Owen Multi Academy Company's board of directors) 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 Company 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.

I confirm that I and the multi academy Company board of Directors (Saint Nicholas Owen Multi Academy Company's board of directors) are able to identify any material irregular or improper use of funds by the academy Company, or material non-compliance with the terms and conditions of funding under the academy company's funding agreement and the Academies Financial Handbook.

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

Signed   
Ted Hammond – Accounting Officer

Date 14/12/15

# Saint Nicholas Owen Catholic Multi Academy Company

## Financial Statements for the Period Ended 31 August 2015

### Statement of Directors' Responsibilities

The Directors (who act as governors of Saint Nicholas Owen Catholic Multi Academy Company and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2005
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to 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 Directors 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 Directors (directors) on 14<sup>th</sup> December 2015 and signed on its behalf by:

Signed .....  
Joanna Griffin - Chair/Director

Date ..... 14.12.15

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Independent Auditor's Report to the Members of Saint Nicholas Owen Catholic Multi Academy Company**

We have audited the financial statements of Saint Nicholas Owen Catholic Multi Academy Company for the period ended 31 August 2015 which will comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

**Respective responsibilities of Governors and auditors**

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the charitable School for the purposes of company law) are responsible for the preparation of the financial statements 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 School's circumstances and have been consistently applied and adequately disclosed the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable School's affairs as at 31 August 2015 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

In our opinion the information given in the Governors' report, incorporating the Strategic 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



NICHOLAS SIMKINS (Senior Statutory Auditor)  
for and on behalf of MOORE STEPHENS LLP (Statutory Auditor)  
Chartered Accountants and Statutory Auditor  
Birmingham

Date: 14/12/2015

# **Saint Nicholas Owen Catholic Multi Academy Company**

## **Financial Statements for the Period Ended 31 August 2015**

### **Independent reporting accountant's assurance report on regularity to Saint Nicholas Owen Catholic Multi Academy Company and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 23 June 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Saint Nicholas Owen Catholic Multi Academy Company during the period 1 October 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of Saint Nicholas Owen Catholic Multi Academy Company's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Saint Nicholas Owen Catholic Multi Academy Company's funding agreement with the Secretary of State for Education dated 21 May 2013 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 October 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy Company's income and expenditure.

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

We have undertaken testing as appropriate in accordance with the Academies Accounts Direction 2014 to 2015. This includes an evaluation of the control environment of the school, enquiry, analytical review and substantive testing.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**

**Independent reporting accountant's assurance report on regularity to Saint Nicholas Owen Catholic Multi Academy Company and the Education Funding Agency (continued)**

Our procedures included, but were not limited to the following:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the School's purposes and are appropriately authorised;
- Sample testing on credit card expenditure, review for any indication of purchase for personal use by staff, Head or Governors;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the School;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation.

**Conclusion**

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 October 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Moore Stephens LLP*

**Moore Stephens LLP**  
Chartered Accountants  
Birmingham

Date: 14/12/2015

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Statement of Financial Activities for the Period Ended 31 August 2015 (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

		Unrestricted	Restricted	Restricted	Total
		Funds	General	Fixed	
		Funds	Funds	Asset Funds	2015
	Note	£000	£000	£000	£000
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
Voluntary income	3	30	17	-	47
Activities for generating funds	4	543	351	-	894
Investment income	5	1	-	-	1
Inherited assets on conversion	27	1,073	(2,567)	18,196	16,702
<i>Incoming resources from charitable activities:</i>					
Funding for the Academy's educational operations	6	-	8,717	55	8,772
<b>Total incoming resources</b>		<b>1,647</b>	<b>6,518</b>	<b>18,251</b>	<b>26,416</b>
<b>Resources expended</b>					
<i>Charitable activities:</i>					
Academy's educational operations	8	-	8,730	342	9,072
<i>Costs of generating funds</i>	9	184	318	-	502
<i>Governance costs</i>	10	-	157	-	157
<b>Total resources expended</b>	7	<b>184</b>	<b>9,205</b>	<b>342</b>	<b>9,731</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>1,463</b>	<b>(2,687)</b>	<b>17,909</b>	<b>16,685</b>
Gross transfers between funds		(97)	97	-	-
<b>Net income/(expenditure) for the year</b>		<b>1,366</b>	<b>(2,590)</b>	<b>17,909</b>	<b>16,685</b>
<b>Other recognised gains and (losses)</b>					
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(79)	-	(79)
<b>Net movement in funds</b>		<b>1,366</b>	<b>(2,669)</b>	<b>17,909</b>	<b>16,606</b>
<b>Funds brought forward at 1 October 2014</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds carried forward at 31 August 2015</b>		<b>1,366</b>	<b>(2,669)</b>	<b>17,909</b>	<b>16,606</b>

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

In the current period, the company had no discontinued operations.



**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Balance Sheet as at 31 August 2015**

	Notes	2015 £000	2015 £000
<b>Fixed assets</b>			
Tangible assets	13		17,729
<b>Current assets</b>			
Debtors	14	628	
Cash at bank and in hand		1,556	
<b>Total current assets</b>		<u>2,184</u>	
<b>Creditors: Amounts falling due within one year</b>	15	<u>(588)</u>	
<b>Net current assets</b>			<u>1,596</u>
<b>Total assets less current liabilities</b>			<u>19,325</u>
<b>Creditors: Amounts falling due after more than one year</b>			<u>-</u>
<b>Net assets excluding pension liability</b>			<u>19,325</u>
Pension scheme liability	25		<u>(2,719)</u>
<b>Net assets including pension liability</b>			<u>16,606</u>
<b>Funds of the academy:</b>			
<b>Restricted funds</b>			
Fixed asset fund	16		17,909
General fund	16		49
Pension reserve	16		<u>(2,719)</u>
<b>Total restricted funds</b>			<u>15,239</u>
<b>Unrestricted funds</b>			
General fund	16	1,367	
<b>Total unrestricted funds</b>			<u>1,367</u>
<b>Total Funds</b>			<u>16,606</u>

The financial statements on pages 23 to 48 were approved by the Directors, and authorised for issue on 14 December 2015 and signed on their behalf by:



Chair of Directors (Directors): Joanna Griffin

Company registration Number 09174154

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Financial Statements for the Period Ended 31 August 2015**  
**Cash Flow Statement for the period ended 31 August 2015**

	Notes	2015 £000
Net cash inflow from operating activities	20	302
Returns on investments	21	1
Capital expenditure	22	180
		<u>483</u>
Cash transferred on Academy conversions		1,073
Increase in cash in the period	23	<u>1,556</u>
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net funds at 1 October 2014		-
Net funds at 31 August 2015		<u>1,556</u>

# Saint Nicholas Owen Catholic Multi Academy Company

## Notes to the Financial Statements for the Period Ended 31 August 2015

### 1. Statement of Accounting Policies

#### Basis of Preparation

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

#### Going Concern

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

#### Multi Academy Company Status

The Company is a Multi Academy Company and, in compliance with the guidance laid down by the EFA, these financial statements comprise a single set of accounts for all the academies in the Company. Where appropriate, additional information relating to the performance of the individual Company is included in the notes to these accounts.

The Academies which have been incorporated in to these financial statements are as follows

Hagley Catholic High School	- Converted 1 October 2014
Our Lady of Fatima Catholic Primary School	- Converted 1 October 2014
St Ambrose's Catholic Primary School	- Converted 1 October 2014
St Joseph's Catholic Primary School	- Converted 1 October 2014
St Mary's Catholic Primary School	- Converted 1 October 2014
St Wulstan's Catholic Primary School	- Converted 1 October 2014

#### Incoming Resources

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

#### Grants Receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

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

**Incoming Resources (continued)**

*Donations*

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

*Other Income*

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

*Donated Services and Gifts in Kind*

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

*Inherited Assets*

During the year, the Company acquired a number of schools which were converted into academy trusts. The transfer of status included assets and liabilities at the date of incorporation and a valuation of these assets and liabilities was identified as at the date of the transfer. The net assets arising from the acquisition of the academies has been included in the Statement of Financial Activities as incoming resources. The equivalent asset or liability arising has been identified in the appropriate class on the balance sheet and the relevant accounting policies applied from the date of transfer.

Details of the assets and liabilities transferred into the academy can be found in note 27.

**Resources Expended**

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

*Costs of Generating Funds*

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

*Charitable Activities*

These are costs incurred on the academy Company's educational operations.

*Governance Costs*

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

All resources expended are inclusive of irrecoverable VAT where applicable.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

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

**Tangible Fixed Assets**

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

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

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

Long leasehold land	Over the length of the lease
Long leasehold buildings	Shorter of 50 years or the length of the lease
Fixtures and fittings	Over 5 years
Motor Vehicles	Over 5 years

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

**Leased Assets**

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

**Taxation**

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

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

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

**Pensions Benefits**

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

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 Company in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 25, the TPS is a multi-employer scheme and the academy Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**Fund Accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**2. General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State the academy Company was not subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. The Company has in place a policy which controls and limits the amount of GAG which can be carried forward.

<b>3. Voluntary Income</b>	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>2015 Total £000</b>
Donations - Revenue	30	17	47
	<u>30</u>	<u>17</u>	<u>47</u>

<b>4. Activities for Generating Funds</b>	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>2015 Total £000</b>
Hire of facilities	58	-	58
Catering income	13	-	13
School funds income	-	331	331
Sales of goods/services	217	-	217
Nursery income	96	-	96
Other income	159	20	179
	<u>543</u>	<u>351</u>	<u>894</u>

<b>5. Investment Income</b>	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>2015 Total £000</b>
Bank interest	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**6. Funding for the Company's educational operations**

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000
<b>DfE/EFA revenue grant</b>				
General Annual Grant (GAG) (note 2)	-	8,272	-	8,272
	<u>-</u>	<u>8,272</u>	<u>-</u>	<u>8,272</u>
<b>Other DfE / EFA grants</b>				
Pupil premium	-	305	-	305
Special education needs income	-	70	-	70
Looked after children	-	18	-	18
Capital grants	-	-	55	55
Rates	-	13	-	13
Other	-	36	-	36
	<u>-</u>	<u>441</u>	<u>55</u>	<u>496</u>
<b>Other Government grants</b>				
Other	-	4	-	4
	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>
<b>Total</b>	<u>-</u>	<u>8,717</u>	<u>55</u>	<u>8,772</u>

**7. Resources Expended**

	Staff Costs £000	Non Pay expenditure Premises £000	Other Costs £000	Total 2015 £000
<b>Costs of activities for generating funds</b>	-	-	502	502
<b>Academy's educational operations</b>				
Direct costs	5,981	-	383	6,364
Allocated support costs	1,215	918	575	2,708
	<u>7,196</u>	<u>918</u>	<u>958</u>	<u>9,072</u>
<b>Governance costs including allocated support costs</b>	-	-	157	157
	<u>7,196</u>	<u>918</u>	<u>1,617</u>	<u>9,731</u>

Staff costs above include training and recruitment costs.

Net Incoming resources for the period are stated after charging:

	2015 £000
Operating leases – plant and machinery	27
Fees payable to auditor - audit	10
- other	6



**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**8. Charitable Activities - Academy's educational operations**

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000
<b>Direct costs</b>				
Teaching and educational support staff costs	-	5,981	-	5,981
Educational supplies	-	187	-	187
Examination fees	-	108	-	108
Staff development	-	50	-	50
Other direct costs	-	38	-	38
	-	6,364	-	6,364
<b>Allocated support costs</b>				
Support staff costs	-	1,215	-	1,215
Depreciation	-	-	342	342
Technology costs	-	170	-	170
Recruitment and support	-	20	-	20
Maintenance of premises	-	162	-	162
Cleaning	-	93	-	93
Rent and rates	-	31	-	31
Energy	-	156	-	156
Insurance	-	135	-	135
Security and transport	-	29	-	29
Bank interest and charges	-	1	-	1
Other support costs	-	354	-	354
	-	2,366	342	2,708
	-	8,730	342	9,072

**9. Costs of generating funds**

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000
School funds	-	318	-	318
Catering	184	-	-	184
	184	318	-	502

**10. Governance costs**

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000
Legal and professional fees	-	141	-	141
Auditors' remuneration				
Audit of financial statements	-	10	-	10
Other services	-	6	-	6
Governors' reimbursed expenses	-	-	-	-
	-	157	-	157

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**11. Staff costs**

Staff costs during the period were:

	<b>Total</b>
	<b>2015</b>
	<b>£000</b>
Wages and salaries	5,813
Social security costs	355
Other pension costs	944
	<u>7,112</u>
Supply costs	84
	<u>7,196</u>

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

**2015**  
**No.**

***Charitable Activities***

Teachers	102
Administration and support	86
Management	19
	<u>207</u>

**Higher paid staff**

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

	<b>No.</b>
£60,001-£70,000	1
£90,001-£100,000	1
	<u>2</u>

Both of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, employers' pension contributions for these employees amounted to £22,404.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**12. Directors' remuneration and expenses**

The principal and staff directors only receive remuneration in respect of services they provide undertaking the roles of principal and staff and not in respect of their services as directors. Other directors did not receive any payments from the MAC in respect of their role as director. The value of directors' remuneration for the period was as follows:

<b>Name</b>	<b>Position</b>		<b>2015</b>
T Hammond	Principal	Remuneration	<b>£85k - £90k</b>
		Employers pension contributions	<b>£10k - £15k</b>
B Boffey	Principal	Remuneration	<b>£50k - £55k</b>
		Employers pension contributions	<b>£5k - £10k</b>
B McArdle	Staff Governor	Remuneration	<b>£40k - £45k</b>
		Employers pension contributions	<b>£0k - £5k</b>
P Berry	Staff Governor	Remuneration	<b>£30k - £35k</b>
		Employers pension contributions	<b>£0k - £5k</b>

During the period ended 31 August 2015, £275 travel and subsistence expenses were reimbursed to governors.

**Directors' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the period ended 31<sup>st</sup> August 2015 was £3,158. The cost of this insurance is included in the total insurance cost.

**13. Tangible Fixed Assets**

	<b>Leasehold Land and Buildings £000</b>	<b>Furniture and Equipment £000</b>	<b>Motor Vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>				
At 1 October 2014	-	-	-	-
Inherited on conversion	17,857	154	28	<b>18,039</b>
Additions	-	32	-	<b>32</b>
Disposals	-	-	-	-
At 31 August 2015	<b>17,857</b>	<b>186</b>	<b>28</b>	<b>18,071</b>
<b>Depreciation</b>				
At 1 October 2014	-	-	-	-
Charged in year	304	32	6	<b>342</b>
Disposals	-	-	-	-
At 31 August 2015	<b>304</b>	<b>32</b>	<b>6</b>	<b>342</b>
<b>Net book values</b>				
At 31 August 2015	<b>17,553</b>	<b>154</b>	<b>22</b>	<b>17,729</b>
At 1 October 2014	-	-	-	-

The Company's transactions relating to land and buildings include the taking up of a leasehold on the land and buildings at each school, each for no consideration and over a term of 125 years.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**

**(Continued)**

**14. Debtors**

**2015**  
**£000**

Trade debtors	98
Prepayments and accrued income	288
VAT recoverable	242
	<u>628</u>

**15. Creditors: amounts falling due within one year**

**2015**  
**£000**

Trade creditors	168
Other creditors	131
Social Security and other taxes	127
Accruals and deferred income	162
	<u>588</u>

**Deferred income**

Deferred income at 1 October 2014	-
Resources deferred during the period	86
Amounts released from previous years	-
<b>Deferred income at 31 August 2015</b>	<u><b>86</b></u>

At the balance sheet date the academy Company was holding funds received in advance in relation to Universal Infant Free School Meals.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

16. Funds	Balance at 1 October 2014 £000	Incoming resources £000	Resources expended £000	Gains/ losses and transfers £000	Balance at 31 August 2015 £000
<b>Restricted general funds</b>					
General Annual Grant	-	8,272	(8,369)	97	-
Other DfE/EFA grants	-	445	(445)	-	-
Funds generated from activities	-	368	(319)	-	49
Pension reserve	-	(2,567)	(73)	(79)	(2,719)
	-	6,518	(9,206)	18	(2,670)
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	-	55	-	-	55
Inherited assets	-	18,196	(342)	-	17,854
	-	18,251	(342)	-	17,909
<b>Total restricted funds</b>	--	24,769	(9,548)	18	15,239
<b>Restricted funds</b>					
Unrestricted funds	-	1,648	(184)	(97)	1,367
<b>Total unrestricted funds</b>	-	1,648	(184)	(97)	1,367
<b>Total funds</b>	-	26,616	(9,731)	(79)	16,606

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

**General Annual Grant**

The General Annual Grant (GAG) has been provided by the DfE in order to fund the normal running costs of the MAC. During the period, the MAC's GAG expenditure exceeded GAG income and a balance was transferred from the unrestricted funds to cover this deficit. Under the funding agreement with the Secretary of State, the MAC was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

**Other DfE/EFA grants**

Other DfE/EFA grants include further grants received from the DfE/EFA including pupil premium, insurance and start-up grants. All of the income received was fully expended during the period. Expenditure relating to these grants is controlled and used specifically as set out in the conditions of the grant.

**Funds generated from activities**

Funds generated from activities include any restricted donations, school fund income and other activities whereby the income is to be used for a restricted purpose. The restricted income exceeded the expenditure in the current period and the balance carried forward is to be used in the following year for the purpose intended.

**Pension reserve**

The restricted Pension reserve represents the deficit on the Academy's share of the Local Government Pension Scheme as at 31 August 2015.

**Restricted Fixed Asset Fund**

The amount of inherited fixed assets of £18,196,000 represents the depreciated replacement costs of the predecessor schools' land and buildings and the cost of capital equipment, which was transferred to the MAC on the conversion dates of the individual academies. The DfE grant of £55,000 related to devolved capital grant.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**16. Analysis of academies by fund balance**

	<b>Total 2015 £000</b>
Hagley Catholic High School	<b>411</b>
Our Lady of Fatima Catholic Primary School	<b>185</b>
St Ambrose's Catholic Primary School	<b>282</b>
St Joseph's Catholic Primary School	<b>91</b>
St Mary's Catholic Primary School	<b>318</b>
St Wulstan's Catholic Primary School	<b>129</b>
Central services	<b>-</b>
<b>Total before fixed assets and pension reserve</b>	<b>1,416</b>
Restricted fixed asset fund	<b>17,909</b>
Pension reserve	<b>(2,719)</b>
<b>Total</b>	<b>16,606</b>

**Analysis of academies by cost**

Expenditure incurred by each academy during the period was as follows:

	<b>Teaching and Educational Support Staff Costs £000</b>	<b>Other Support Staff Costs £000</b>	<b>Educational Supplies £000</b>	<b>Other Costs (excluding Depreciation) £000</b>	<b>Total £000</b>
Hagley Catholic High School	3,324	582	191	940	<b>5,037</b>
Our Lady of Fatima Catholic Primary School	626	100	25	155	<b>906</b>
St Ambrose's Catholic Primary School	506	85	22	160	<b>773</b>
St Joseph's Catholic Primary School	534	85	18	228	<b>865</b>
St Mary's Catholic Primary School	550	101	22	215	<b>888</b>
St Wulstan's Catholic Primary School	441	78	17	171	<b>707</b>
Central services	-	184	-	29	<b>213</b>
	<b>5,981</b>	<b>1,215</b>	<b>295</b>	<b>1,899</b>	<b>9,389</b>

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**17. Analysis of net assets between funds**

Fund balances at 31 August 2015 are represented by:

	Unrestricted general fund £000	Restricted general fund £000	Restricted fixed asset fund £000	Total 2015 £000
Tangible fixed assets	-	-	17,729	17,729
Current assets	1,367	637	180	2,184
Current liabilities	-	(588)	-	(588)
Pension scheme liability	-	(2,719)	-	(2,719)
<b>Total net assets</b>	<b>1,367</b>	<b>(2,670)</b>	<b>17,909</b>	<b>16,606</b>

**18. Capital commitments**

No capital commitments were outstanding at the year end

**19. Financial commitments**

***Operating leases***

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

	2015 £000
<u>Land and buildings</u>	
None noted	-
<u>Other</u>	
Expiring within one year	6
Expiring within two and five years inclusive	27
Expiring in over five years	-
	<u>33</u>

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

		<b>2015</b>
<b>20.</b>	<b>Reconciliation of net income to net cash inflow from operating activities</b>	<b>£000</b>
	Net income	16,685
	Depreciation (note 13)	342
	Interest receivable	(1)
	Tangibles acquired on conversion	(18,038)
	Capital grants from DfE and other capital income	(55)
	Pension deficit acquired on conversion	2,567
	FRS 17 pension cost less contributions payable (note 25)	(4)
	FRS 17 pension finance costs (note 25)	77
	Cash balances inherited on conversion	(1,231)
	Increase in debtors	(628)
	Increase in creditors	588
	<b>Net cash inflow from operating activities</b>	<b>302</b>
<b>21.</b>	<b>Returns on investments and servicing of finance</b>	
	Interest received	1
	<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>1</b>
<b>22.</b>	<b>Capital expenditure and financial investment</b>	
	Purchase of tangible fixed assets	(32)
	Capital grants from DfE	55
	Capital funding from other sources	157
	<b>Net cash outflow from capital expenditure and financial investment</b>	<b>180</b>
<b>23.</b>	<b>Analysis of changes in net funds</b>	
		<b>At 1</b>
		<b>October</b>
		<b>2014</b>
	<b>Net Cash</b>	<b>£000</b>
		<b>Cash Flows</b>
		<b>£000</b>
		<b>At 31</b>
		<b>August</b>
		<b>2015</b>
		<b>£000</b>
	Cash in hand and at bank	-
		1,556
	<b>Net Funds</b>	<b>-</b>
		<b>1,556</b>

**24. Members' Liability**

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



# Saint Nicholas Owen Catholic Multi Academy Company

## Notes to the Financial Statements for the Period Ended 31 August 2015

### (Continued)

#### 25. Pension and Similar Obligations

The academy's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and two separate Local Government Pension Schemes (LGPS) for non-teaching staff, one which is managed by West Midlands Pension Fund and one which is managed by Worcestershire County Council. All three are multi-employer defined-benefit schemes.

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

At 31 August 2015, included in creditors is an amount of £117k relating to contributions to be paid over to the schemes.

#### Teachers' Pension Scheme Introduction

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

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

#### Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £963k.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**25. Pension and Similar Obligations (continued)**

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

**Local Government Pension Schemes**

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

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.

**West Midlands Pension Fund**

The LGPS is a funded defined-benefit scheme, with the assets held in separate Director-administered funds. The total contribution made for the period ended 31 August 2015 was £147k, of which employer's contributions totalled £114k and employees' contributions totalled £33k. The agreed contribution rates for future years are between 14.4% to 18.8% for employers, and between 5.5% to 12.5% for employees.

**Principal Actuarial Assumptions**

	<b>At 31 August 2015</b>
Rate of increase in salaries	4.15%
Rate of increase for pensions in payment/inflation	2.40%
Discount rate for scheme liabilities	4.00%
Inflation assumption (CPI)	2.40%

The assumed life expectations on retirement age 65 are:

	<b>At 31 August 2015</b>
<i>Retiring today</i>	
Males	23.0 years
Females	25.6 years
<i>Retiring in 20 years</i>	
Males	25.2 years
Females	28.0 years

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**25. Pension and Similar Obligations (continued)**

**Local Government Pension Scheme (continued)**

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

	<b>Expected return at 31 August 2015</b>	<b>Fair value at 31 August 2015</b>
		<b>£000</b>
Equities	-	259
Government bonds	-	32
Other bonds	-	44
Property	-	37
Cash/liquidity	-	22
Other	-	40
<b>Total market value of assets</b>	<b>5.6%</b>	<b>434</b>
<b>Present value of scheme liabilities</b>		
- Funded		(1,582)
<b>Deficit in the scheme</b>		<b>(1,148)</b>

The overall expected rate of return is 5.6%. This represents the allowance made, calculated at the start of the year, for the anticipated investment return to be earned on assets during the year. The actual return on scheme assets was £22,000.

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

	<b>2015</b>
	<b>£000</b>
Current service cost (net of employee contributions)	(20)
Past service cost	-
<b>Total operating charge</b>	<b>(20)</b>

**Analysis of pension finance costs**

Expected return on pension scheme assets	19
Interest on pension liabilities	(55)
<b>Pension finance costs</b>	<b>(36)</b>

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**25. Pension and Similar Obligations (continued)**

**Local Government Pension Scheme (continued)**

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £48,000 gain. Movements in the present value of defined benefit obligations were as follows

	2015 £000
<b>Opening defined benefit liabilities at 1 October 2014</b>	-
Current service cost	(134)
Interest cost	(55)
Employee contributions	(33)
Actuarial gain	45
Liabilities assumed in a business combination	(1,405)
<b>At 31 August 2015</b>	<b>(1,582)</b>

	2015 £000
<b>Opening fair value of plans' assets at 1 October 2014</b>	-
Expected return on assets	19
Actuarial gains	3
Employer contributions	114
Employee contributions	33
Assets acquired in a business combination	265
<b>At 31 August 2015</b>	<b>434</b>

The estimated value of employer contributions for the period ended 31 August 2016 is £143k.

**The history of experience adjustments is as follows:**

	2015 £'000
Present value of defined benefit obligations	(1,582)
Fair value of share of scheme assets	434
Deficit in the scheme	(1,148)

**Experience adjustments on share of scheme assets:**

Amount £'000	3
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**Experience adjustments on scheme liabilities:**

Amount £'000	-
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**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**25. Pension and Similar obligations (continued)**

**Local Government Pension Scheme**

**Worcestershire County Council Pension Fund**

The LGPS is a funded defined-benefit scheme, with the assets held in separate Director-administered funds. The total contribution made for the period ended 31 August 2015 was £215k, of which employer's contributions totalled £174k and employees' contributions totalled £41k. The agreed contribution rates for future years are between 16.1% to 18.8% for employers, and between 5.5% to 12.5% for employees.

**Principal Actuarial Assumptions**

	<b>At 31 August 2015</b>
Rate of increase in salaries	3.80%
Rate of increase for pensions in payment/inflation	2.30%
Discount rate for scheme liabilities	4.00%
Inflation assumption (CPI)	2.30%

The assumed life expectations on retirement age 65 are:

	<b>At 31 August 2015</b>
<i>Retiring today</i>	
Males	23.4 years
Females	25.8 years
<i>Retiring in 20 years</i>	
Males	25.6 years
Females	28.1 years

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

	<b>Expected return at 31 August 2015</b>	<b>Fair value at 31 August 2015</b>
		<b>£000</b>
Equities	6.5%	745
Government bonds	2.5%	1
Other bonds	3.6%	51
Property	-	-
Cash/liquidity	0.5%	8
Other	6.5%	29
<b>Total market value of assets</b>		<b>834</b>
Present value of scheme liabilities		
- Funded		(2,405)
<b>Deficit in the scheme</b>		<b>(1,571)</b>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. The actual return on scheme assets was £14,000.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**25. Pension and Similar obligations (continued)**

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

	2015 £000
Current service cost (net of employee contributions)	(24)
Past service cost	-
Total operating charge	<u>(24)</u>

**Analysis of pension finance costs**

Expected return on pension scheme assets	39
Interest on pension liabilities	<u>(80)</u>
<b>Pension finance costs</b>	<u><b>(41)</b></u>

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £127,000 loss. Movements in the present value of defined benefit obligations were as follows:

	2015 £000
<b>Opening defined benefit liabilities at 1 October 2014</b>	-
Current service cost	(150)
Interest cost	(80)
Employee contributions	(41)
Actuarial loss	(103)
Benefits / transfers paid	(2)
Liabilities assumed in a business combination	(2,029)
<b>At 31 August 2015</b>	<u><b>(2,405)</b></u>

	2015 £000
<b>Opening fair value of plans' assets at 1 October 2014</b>	-
Expected return on assets	39
Actuarial loss	(24)
Employer contributions	174
Employee contributions	41
Benefits / transfers paid	2
Assets acquired in a business combination	602
<b>At 31 August 2015</b>	<u><b>834</b></u>

The estimated value of employer contributions for the period ended 31 August 2016 is £193k.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**25. Pension and Similar obligations (continued)**

The history of experience adjustments is as follows:

	2015 £'000
Present value of defined benefit obligations	(2,405)
Fair value of share of scheme assets	834
Deficit in the scheme	<u>(1,571)</u>
<b>Experience adjustments on share of scheme assets:</b>	
Amount £'000	(24)
<b>Experience adjustments on scheme liabilities:</b>	
Amount £'000	-

**26. Related Party Transactions**

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

No related party transactions took place in the period of account.

**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**  
**(Continued)**

**27. Conversion to an Academy**

During the period ended 31 August 2015, Saint Nicholas Owen Catholic Multi Academy Company oversaw the conversion of six schools to academy status. These conversions all occurred on 1<sup>st</sup> October 2014, and for each, the operations, assets and liabilities were transferred from the relevant Diocese and local authorities for no consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as incoming resources in the Statement of Financial Activities (SOFA).

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA. The defined benefit pension scheme deficit inherited on conversion is split between two separate local government pension schemes and is not identifiable by school. The total deficit inherited on the 1 October 2015 was £2,567k.

	Unrestricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>Hagley Catholic High School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	10,207	10,207
Computers, furniture and fittings	-	-	70	70
Budget surplus on local authority funds	324	-	88	412
Net assets transferred	324	-	10,365	10,689

The above net assets include £324k which was transferred as cash.

	Restricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>Our Lady of Fatima Catholic Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	1,554	1,554
Computers, furniture and fittings	-	-	57	57
Budget surplus on local authority funds	90	-	27	117
Net assets transferred	90	-	1,638	1,728

The above net assets include £90k which was transferred as cash

	Unrestricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>St Ambrose's Catholic Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	1,512	1,512
Computers, furniture and fittings	-	-	15	15
Budget surplus on local authority funds	238	-	24	262
Net assets transferred	238	-	1,551	1,789

The above net assets include £238k which was transferred as cash prior to 31 August 2015.



**Saint Nicholas Owen Catholic Multi Academy Company**  
**Notes to the Financial Statements for the Period Ended 31 August 2015**

**(Continued)**

	Unrestricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>St Joseph's Catholic Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	1,472	1,472
Computers, furniture and fittings	-	-	1	1
Budget surplus on local authority funds	114	-	-	114
Net assets transferred	114	-	1,473	1,587

The above net assets include £114k which was transferred as cash prior to 31 August 2015.

	Unrestricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>St Mary's Catholic Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	1,263	1,263
Computers, furniture and fittings	-	-	2	2
Budget surplus on local authority funds	223	-	12	235
Net assets transferred	223	-	1,277	1,500

The above net assets include £223k which was transferred as cash prior to 31 August 2015.

	Unrestricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>St Wulstan's Catholic Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	1,849	1,849
Computers, furniture and fittings	-	-	37	37
Budget surplus on local authority funds	84	-	6	90
Net assets transferred	84	-	1,892	1,976

The above net assets include £84k which was transferred as cash prior to 31 August 2015.

The sum of the inherited funds from the above individual schools on conversion, including the pension deficit, is as follows:

	Unrestricted General Funds £000	Restricted Pension Fund £000	Restricted Fixed Asset Funds £000	2015 Total Funds £000
<b>Inherited assets on conversion</b>	1,073	(2,567)	18,196	16,702

On the conversion of the academies, certain other assets were also transferred over to Saint Nicholas Owen Catholic Multi Academy Company. Only those assets which met the conditions of the capitalisation policy of Saint Nicholas Owen Catholic Multi Academy Company were recognised as capital assets, whilst the remainder were written off on conversion. The remaining assets comprised mainly computer, classroom and kitchen equipment, where the individual purchase price of the asset was below £1,000.