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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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

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**Members**

Reverend D J Roberts  
Mr A Scott  
Bishop M Davies

**Trustees**

Mr A S Billings  
Father P H Burke (resigned 19 December 2014)  
Mr J Daley  
Mrs J M Feely  
Mrs D Franklin (resigned 22 January 2015)  
Mrs A Heaton  
Mr T J Neill  
Reverend D J Roberts  
Mr A Scott  
Mr D J Cunningham  
Mrs N Armstrong-Boyle (appointed 1 March 2015)  
Mrs A M Connor (appointed 1 March 2015)  
Mrs T M Cooke (appointed 1 March 2015)  
Mr S W Gachuhi (appointed 26 February 2015)  
Mrs S Humphries (appointed 1 April 2015)  
Mrs C M Ingram (appointed 1 April 2015)  
Mr N R Johnson (appointed 26 February 2015)  
Mr J Kalnins (appointed 1 March 2015)  
Mrs H E Knight (appointed 26 February 2015)

**Company registered number**

08307881

**Principal and registered office**

Brooklands Avenue, Macclesfield, Cheshire, SK11 8LB

**Company secretary**

Mrs J Leigh (appointed 1 September 2014)

**Accounting officer**

Mr A S Billings

**Independent auditors**

Moore Stephens, 6 Ridge House, Ridgehouse Drive, Festival Park, Stoke-on-Trent, Staffordshire, ST1 5TL

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Holy Family of Nazareth Catholic Academy Trust (the academy) for the year ended 31 August 2015. The Trustees confirm that the Annual Report and Financial Statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**a. Constitution**

The Academy Trust 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 Trust.

The Trustees for the charitable activities of The Holy Family of Nazareth Catholic Academy Trust are also the directors of the Charitable Company for the purposes of company law and the Governors of the academies.

The Charitable Company was originally known as All Hallows Catholic College a Voluntary Academy (AHCC). During the year, the following primary schools converted to academies and joined AHCC in the Holy Family of Nazareth Catholic Academy Trust:

St Alban's Catholic Primary School, Macclesfield (converted on 1 March 2015)  
St Mary's Catholic Primary School, Congleton (converted on 1 April 2015) and  
St Paul's Catholic Primary School, Poynton (converted 1 March 2015).

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

The Trust has the following organisational structure:-

Level 1: Board of the Multi Academy Trust (Directors)

Level 2: Local Governing Bodies (LGBs)

Level 3: Committees of the LGBs

Level 4: The Accounting Officer (Principal)

The Charitable Company's Memorandum and Articles of Association (in conjunction with The Schemes of Delegation) are the primary governing documents of the Multi-Academy Trust.

The Board of Directors are responsible for and oversee the management and administration of the Company and Academies run by the Company. The Board of Directors is the ultimate decision making authority and has overall responsibility for setting strategy and setting the Company's policy. Following the addition of the primary schools into the Trust, the Board of Directors is currently working on a revised governance structure of the Trust, which is expected to include new committees of the Trust and, in time, fewer committees of the LGBs. This should lead to clearer lines of governance, consistency across the Trust and greater efficiency.

In order to discharge its responsibilities and to ensure the good governance of each Academy within the Trust, the Board of Directors delegates functions other than those defined as 'reserved functions' to each LGB.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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Governors are responsible for setting policies to be used within the Trust. The LGBs of each of the academies within the Trust have a number of committees as follows:

<b>AHCC</b>	<b>St. Alban's</b>	<b>St. Mary's</b>	<b>St Paul's</b>
Teaching & Learning	Teaching, Learning and Curriculum	Pupil, Personnel and Finance Committee	Curriculum
Human Resources	Human Resources		Personnel and Community
Finance and Resources	Finance and Resources	Finance, Premises & Strategy Committee	Finance and Buildings

Whilst there are currently differences in the names of the committees across schools, there is broad commonality in the topics they address. Each committee has Terms of Reference which help to aid the policy making process and outline the specific responsibilities of each committee. Work is ongoing to align all of the policies of the Multi Academy Trust and to ensure consistency between the newly-converted primary schools and the senior school.

The Local Governing Bodies have devolved responsibility for the day to day management of the Academies to the Principal, in the case of AHCC, or the Heads of the primary schools, supported by the Senior Leadership Teams (SLT).

The Principal / the Heads have a key leadership role overseeing educational, pastoral and administrative functions in consultation with senior staff. The day to day administration is undertaken within the policies and procedures laid down by the LGBs and the SLTs report back to the LGBs on performance. The Heads and SLTs are also responsible for the authorisation of spending within agreed budgets with some spending control being devolved to Faculty and Departmental Leaders or other key personnel. In turn, the LGBs report to the Academy Trust on the exercise of its responsibilities.

The Principal of AHCC is the Accounting Officer.

The principal activity of the Academy is the provision of education of persons who are baptised members of the Catholic Church.

**b. Members' liability**

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

**c. Method of recruitment and appointment or election of Trustees**

All members of the Academy Trust are appointed and/or elected in accordance with the Articles of Association of the Holy Family of Nazareth Catholic Academy Trust. In summary:-

- Up to 1 Director appointed by the Members save that no more than one third of the total number of individuals appointed as Directors shall be employees of the Academy Trust (including the Executive Principal and the Principals).
- A minimum of 5 Foundation Directors appointed by the Diocesan Bishop provided that the number of Foundation Directors and Academy Directors together shall always be 2 more than the total number of other Directors (Excluding Foundation Directors and Academy Directors).
- The chairman of each Local Governing Body shall be an Academy Director for as long as he remains in office and appointed by the Directors of the Company but they shall appoint as the chairman of a Local Governing Body someone other than the Executive Principal.
- The Principal of the Academy for as long as he remains in office.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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- The Executive Principal for as long as he remains in office.
- A minimum of 2 Parent Directors
- Staff Directors - 3 co-opted Directors provided that if any such Directors are appointed the number of Foundation Directors permitted shall increase proportionately to ensure that a majority of Directors are Foundation Directors.
- The Secretary of State may appoint Additional Directors as he thinks fit.

The term of office for all Directors (with the exception of the Principal) is 4 years. Any Director may be re-appointed or re-elected.

The Trustees have commissioned a review of governance of the Trust, with a particular emphasis on structures, committees and roles and responsibilities. Changes arising from this work will be implemented in 2015/16

During the year under review the Multi Academy Trust held 3 meetings. The Governing Bodies and their Committees held a total of 24 meetings as follows:

	AHCC	St. Alban's (since 1 March 2015)	St. Mary's (since 1 April 2015)	St. Paul's (since 1 March 2015)
Local Governing Body Meetings	3	1	1	1
Teaching & Learning / Pupil, Personnel & Curriculum / Curriculum Committee	2	2	1	1
Human Resources / Personnel and Community Committee	2	2	N/A	1
Finance and Resources / Finance, Premises and Strategy / Finance and Buildings Committee	4	1	1	1

**d. Policies and procedures adopted for the induction and training of Trustees**

The governors of AHCC have a designated Training Governor (TLG) who has responsibility for ensuring that all new governors are adequately inducted and trained in order to fulfil their duties. Governors complete an annual self-audit; from this the TLG identifies training needs and makes recommendations for training to be undertaken. The approach to Governor and Trustee induction across the Multi Academy Trust will be standardised in the coming year.

All new Trustees and governors will be given a tour of the site of their respective academy and will be given the chance to meet with staff and students. Where available, they will be provided with access to the Governors' section of the academy's website and have access to policies, procedures and documents on that site; they are also provided with copies of minutes of the previous Governing Body meetings, Plans, accounts and budgets as appropriate.

Newly appointed governors follow an induction programme that includes attending a course on the role of the governor and their statutory responsibilities. Upon appointment, Governors are invited to all committee meetings to get an overview of the work of the Governing Board and are subsequently assigned to one of its committees and 'link' with a specific curriculum department or area of focus. They undertake a number of visits to the Academy to work within their appointed function: a valuable training exercise, extending their understanding and ability to make key informed decisions at committee or full governing body level.

The academies within the Trust draw on the services of One Education for governance support and they also provide a clerk to the Governors with knowledge and experience to guide and assist Governors to meet their statutory obligations. In addition, this service consists of a range of tools (training courses, governor bulletins, discussion forums and governor briefings) for both newly appointed and longer serving Governors.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**e. Organisational structure**

The Governing Bodies are collectively responsible for the overall direction of the individual Academies and their strategic management. This involves determining the guiding principles within which the Academy operates, setting general policy, adopting a College / School Improvement Plan and Budget, monitoring the Academy activities and making major decisions about capital expenditure and senior staff appointments. The Governing Body is also responsible for ensuring that the Academy meets all its statutory obligations and through the Principal / Head and Business Manager that it complies with financial regulations. The Principal of AHCC is the Accounting Officer of the Trust.

The governing bodies recognise that it would be impractical to undertake all the day to day activities themselves in discharging their responsibilities and that it is necessary to delegate some of their functions through committees and to the Principal and the Senior Management of each Academy.

The Senior Leadership Team (SLT) of each, which manages the academies at an executive level implementing the policies laid down by Governors and reporting back to them, is as follows:-

All Hallows Catholic College

Tony Billings - Principal  
Ann-Marie Connor - Head of Training and School to School Support and Deputy Principal  
Peter Nickson - Head of College and Deputy Principal  
Martin Blades - Head of Inclusion and Assistant Principal  
Michelle Garvey - Head of Sixth Form and Assistant Principal  
Gus Diamond - Head of KS3 & 4 and Assistant Principal  
Sarah Marshall - Head of Teacher Learning and Assistant Principal  
Sarah Williams - Raising Standards Leader and Assistant Principal  
Janet Leigh - Director of Finance and Business

This Senior Leadership Team meets weekly to discuss the strategic and operational matters of the College.

St Alban's Catholic Primary School

Teresa Cooke - Head  
Judith Ceuppens - Acting Assistant Head SENco EYFS  
Charlotte Clowes - Acting Assistant Head KS1, Reading Lead, Pupil Premium Lead  
Paula Smith - Acting Assistant Head KS2, RE Lead, High Achievers Lead

St. Mary's Catholic Primary School

Sacha Humphries - Head  
Linda Thomas - Deputy Head  
Holly McGuire - KS1 Manager

St. Paul's Catholic Primary School

Nora Armstrong-Boyle - Head  
Rachel Price-Uden - Deputy Headteacher  
Catherine Smith - Assistant Headteacher  
Debbie Wood - School Business Manager  
Sue Poirrette - SENCO

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**f. Connected organisations, including related party relationships**

The first relationship of the Holy Family of Nazareth multi-academy trust (HFN) is with the Catholic Diocese of Shrewsbury. The trust has been established to include schools in All Hallows Learning Community (AHLC) which choose to become academies. Currently there are four AHLC schools which have converted to academies within HFN: All Hallows Catholic College, St Alban's (Macclesfield, Upton), St Mary's (Congleton) and St Paul's (Poynton).

The remaining schools in AHLC are St Benedict's (Handforth), Christ the King\* (Macclesfield, Moss Rose), St Gregory's (Bollington), St John the Evangelist\* (Macclesfield). [\*Special arrangements for conversion will need to be considered at inter-diocesan level for the two schools which are connected to the Anglican Church tradition, should they wish to join HFN.]

Responsibility for the strategic direction of the AHLC lies with the AHLC Forum which includes Heads and Chairs of Governors from each of the schools. The AHLC Headteachers' group meets on a regular basis to draw together and monitor the learning community development plan.

All Hallows Catholic College, A Voluntary Academy has a number of connected organisations and relationships which mean the College is working with an extended range of schools on school to school support and staff training:

- All Hallows was designated by the National College for Teaching and Learning as a National Support School in July 2013, and with the Principal in the role of a National Leader of Education, the College provides support and guidance to other educational establishments. Throughout 2014/15 the Principal has been Executive Head of St. Chad's school in Halton and he and other key members of teaching staff have offered regular support to this and other schools in the area.
- All Hallows is a Specialist Schools and Academy Trust (SSAT) designated Teacher Enhancement Effectiveness Programme (TEEP) Champion School, and the College is also an SSAT Lead Practitioner Training Centre. This means that the College trains other schools teachers in reflective practice and teaching methodologies.
- All Hallows is a member of the Leading Schools Alliance (LSA) partnership and with St John Plessington Catholic College provides NCTL leadership training programmes.
- All Hallows is a strategic partner in the Silk Teaching Alliance and Aspirer Teaching Alliance.
- All Hallows is a provider of Schools Direct Initial Teacher training places in partnership with a number of universities – Manchester University, Manchester Metropolitan University, Liverpool Hope University and Chester University.

St Alban's is a strategic partner in the Aspirer Teaching Alliance and also has a strong working partnership with Manchester Metropolitan University.

**g. Risk management**

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



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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They are satisfied that these systems are broadly consistent with guidelines issued by the DfE, but recognise that some weaknesses do exist. Thus, during 2015/16 the multi academy trust board will work with all the schools in the trust to ensure that a risk management policy and procedures, that apply consistently across the group, are developed and maintained.

The Academy adopted the Financial Procedures in place at the time of the conversion from All Hallows Catholic College. These systems and procedures are currently being updated to ensure a standardised, well documented system of financial procedures is put in place that is followed consistently throughout the multi academy trust.

**h. Trustees' indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £250,000 on any one claim.

**Objectives and Activities**

**a. Objects and aims**

All Hallows became an academy within a multi-academy trust framework in order to strengthen the effectiveness of the Catholic Church in education and to respond to the DfE invitation to support other schools in academy conversion. The multi-academy trust has seen three conversions in the current year, bringing the total number of academies in the trust to four.

All Hallows will also work with the Diocese and consider sponsoring other Catholic schools to become academies if the need arises.

**b. Objectives, strategies and activities**

The principal object and activity of the Charitable Company is the operation of diocesan schools to advance, for the public benefit, Christian education for students within the Catholic tradition. This includes students of all abilities between the ages of 4-19 with an emphasis on the Christian formation and education of the whole child. All Hallows uses its original specialisms of Business and Enterprise and Languages to further these aims through a clear ethical stance based in the social teaching of the Church.

**Equal opportunities Policy**

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Disabled Persons**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to virtually all of the main areas of the academies within the Trust. There is designated parking at all sites.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Achievements and Performance**

The HFN Multi academy trust, in its second full year of operation, has four schools: All Hallows Catholic College, which became an academy on 1 January 2013, and three primary schools (St Alban's Catholic Primary School, St Mary's Catholic Primary School and St Paul's Catholic Primary School), all of which converted to academy status in the current academic year.

In December 2015 All Hallows was awarded by Ofsted the highest possible grade of 'Outstanding' in all areas including the Sixth Form. This is the second time the College has received an 'Outstanding' result. It was praised for the quality of teaching and learning which allowed students to 'make rapid progress in a wide range of subjects.' The Principal, senior and middle leaders, teachers and governors were said to provide outstanding leadership not just through a 'relentless focus on improving teaching' but also 'the personal development of students,' where each individual is valued and nurtured.

All Hallows has increased its intake as families have realised that access to education in an Ofsted outstanding Catholic academy is available for all, that is to Catholic, other Christians and the wider community. This growth has been achieved despite local authority withdrawal of transport subsidies. Many more applications are open to the local geographical community and the college continues to welcome students from some outlying feeder schools due to an improved transport system.

Virtually all admissions are based on first choice applications. The admission number for the college is 210 students. In 2014/15 admissions exceeded the PAN was temporarily increased to 240, approved by governors due to allow for particularly high demand in that specific year. There are 1225 students in the college at the date of the Autumn 2015 census, with year groups being over (+) or below (-) capacity as follows: Y7 (-18), Y8 (+20), Y9 (-12), Y10 (-27), Y11 (-4). The number in the Sixth Form (Y12 & 13) is 216. Admissions criteria are the same as for the voluntary aided school and the academy participates in the co-ordinated admission arrangements operated by the local authority.

Examination results continue to place the College in top rank nationally both at GCSE and A Level. In August 2015 GCSE 5+A\*-C including English and Mathematics was 68% (significantly above national) with the new attainment and progress 8 measures above national. At A Level a 99.6% pass rate was achieved with 65% of passes graded A\*-B. The College has outstanding rates of progression to university including the traditional 'Russell Group' universities. With the opening of a new football academy with Macclesfield Town Football Club numbers are expected to rise further in the Sixth Form as more external students combine academic study with access to football training. The College continues to maintain a national reputation as National Support School and a centre of excellence for teacher learning in pedagogical method and leadership.

St Alban's Catholic Primary School has a PAN of 60 (maximum NOR 420) with 320 currently on roll. Whilst the school is currently below maximum capacity, numbers are steadily increasing. In July 2015, EYFS Good Level of Development was 87% (significantly above national standards) and Year 1 Phonics attainment was 88% (significantly above national standards). KS1 Reading attainment was 98% L2b+ (significantly above national standards), 47% L3+ (significantly above national standards). KS1 Writing attainment was 79% L2b+ (above national standards) 21% L3+ (above national standards). KS1 Maths attainment was 95% L2b+ (significantly above national standards) 49% L3+ (significantly above national standards). Attainment at KS2 (L4b+) was in line for maths (76%), above for Reading (85%) and well above for Grammar, Punctuation and Spelling (82%). Level 4+Writing was below at 82%. Attainment for Level 5+ was above national standards for Maths (55%), below for Writing (30%) and significantly above for Reading (73%) and Grammar, Punctuation and Spelling (76%). Reading, Writing and Maths combined at Level 4+ (79%) was in line with national standards. St Alban's was graded "Outstanding" by Ofsted in November 2014 and maintained "outstanding" in its Section 48 monitoring visit in March 2015.

Saint Mary's Catholic Primary school has a PAN 30 and a maximum NOR of 210 with 191 pupils currently on roll. Whilst the school is currently below maximum capacity, the school was oversubscribed in September 2015, resulting in an appeals situation, which may be an indicator that numbers on roll will increase over time. In July

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**TRUSTEES' REPORT (continued)**  
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2015, attainment at the end of Foundation Stage and Key Stage was significantly above national averages, other than in KS1 maths which was "above" rather than "significantly above" national standards. In Key Stage 2, attainment has consistently been "significantly above" national standards, but was "in line" in July 2015 due to the attainment of one pupil with EHC Plan with severe complex needs. Through the school self-evaluation process, it has been identified that standards of teaching and learning in mathematics could be improved and this is the main focus of the school development plan. The school was graded as "Good" by Ofsted in March 2014.

St Paul's Catholic Primary School has a maximum NOR of 119 (PAN 17) with 114 currently on roll. Whilst the school is currently below maximum capacity, the school was oversubscribed in September 2013 and the Governors agreed to go over PAN and accept 20 pupils. The school was oversubscribed again in September 2015, resulting in an appeals situation which meant that 21 pupils started in September in Reception. This may be an indicator that numbers on roll will increase over time. Due to the small cohort sizes, data for attainment and progress always needs to be handled with caution as one child may represent as much as 7-8%. In July 2015, the number of children in Foundation Stage achieving a Good Level of Development was 77% (Increased from 58% in 2014 - National standards 2014 61%). There was a dip in phonics attainment at KS1 but this was as a result of a large group of very young slow developers. Phonics is a strength of the school and there are no concerns regarding these children retesting next year. Attainment in KS1 was above national standards for all subjects. In Key Stage 2, attainment was in broadly line with national standards. Two children were working below the level of the test and did not access the KS2 SATs.

It is important to note that RAISEonline 2015 shows that:

- Percentage of pupils with SEN support: School 18.9% National 13.0%
- Percentage of pupils with an SEN Statement or EHC plan: School 4.5% National 1.4%
- Y6 cohort 2014-15 SEN 47%
- Y6 cohort 2015-16 SEN 53% (current)

Through the school self-evaluation process, it has been identified that standards of teaching and learning in mathematics could be improved, along with reading for more able pupils. This is the main focus of the school development plan. The school was graded as Outstanding by Ofsted in March 2010 but governors recognise that attainment of cohorts with high numbers of SEN pupils will jeopardise this.

### **c. Activities for achieving objectives**

Each of the schools sets its priorities, and the activities that flow from them, to ensure that excellent standards are maintained and attainment continues to rise across the Trust.

All Halls, school improvement activities include:

- Setting challenging targets for all subjects.
- Making judgements based on starting points and progress to targets using progress matrices and student 'flight paths'.
- Reducing group sizes in English and Mathematics through the appointment of additional staff, adding specialist graduate mentors to the teams.
- Refocussing efforts on staff development through the introduction of a weekly teacher professional learning programme.
- Introducing reading time for all in tutor time to engender a love of reading and to enhance literacy and writing skills.
- Making the links between teacher learning, performance evaluation and pay progression clear.
- Enhancing arrangements for lesson observations and subject performance reviews.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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School Improvement Priorities for St Alban's 2015-16 are as follows:

- To continue to promote and develop the Catholic ethos of St Alban's
- To improve the attainment and progress of Writing in KS2
- To improve the attainment and progress of Maths in KS2
- To establish the Mastery Approach to Maths throughout the school
- To embed Teacher Enhancement Effectiveness Programme (TEEP) throughout the school
- To ensure a broad, balanced, rich curriculum, incorporating a clear progression of skills and knowledge, with effective and informative assessment
- To continue to develop effective cluster working with All Hallows Learning Community, Holy Family of Nazareth Multi Academy Trust and local schools
- To ensure that all teachers emulate the excellent marking practice already used by most teachers in school so that all pupils always know exactly what to do to improve their work even further.

At Saint Mary's, the main activities for raising attainment, with a specific focus on mathematics, are as follows:

- The appointment of a Pupil Premium teacher to focus on the specific needs of disadvantaged pupils to ensure that the attainment gap continues to narrow
- The distribution of leadership responsibilities to a wider number of staff
- An increased number of assessments in numeracy to track progress at frequent intervals
- Benchmarking of key skills such as spelling and reading age to track pupil progress through the transition to "assessment without levels"
- Streaming of children when teaching mathematics and phonics
- Increased monitoring of the standards of teaching and learning, particularly in mathematics, through learning walks, planning scrutiny and book scrutiny
- The employment of a mathematics specialist, with proven history of raising standards in mathematics, to lead improvements in this subject area.

At St Paul's, the main activities for raising attainment are:

- Restructured support staff to ensure the most vulnerable children receive quality first teaching with the class teacher and that all interventions take place at set times across the school
- Highly trained Teaching Assistants to become the 'point of knowledge' for that specific intervention and are accountable for progress half termly to SENCO and SLT
- Regular, strategic pupil progress meetings with SLT, class teacher and SENCO – half termly
- Lesson study model of Joint Practice Development for staff regarding mathematics
- Cluster bid to secure training for staff on mathematics: Problem solving; mastery
- Regular monitoring
- Accountability of mathematics subject leader team to link governor
- Specialist training for RQT regarding guided reading
- Purchase of Accelerated Reader from Y2 – Y6

**d. Public benefit**

The Trustees have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

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**TRUSTEES' REPORT (continued)**  
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**e. Programme related investments**

The emphasis that the Trust and the individual schools place on education in values and through social enterprise has resulted in some notable achievements, these include:

All Hallows Catholic College

The support of a Clinic and Community Building project in Varusanadu, a mountain village in Tamil Nadu, South India. In the year to 31 August 2015 £6,432 was raised through the College's fundraising activities, a measure of an outward and socially conscious school where staff and students appreciate their relationship to others in a global community. The College has an ongoing commitment to support the clinic in India and this is the major focus of its fundraising activity. Other fundraising / awareness events during the year have been for Macmillan Cancer Support and the Downs Syndrome Association.

St Alban's Catholic Primary School

All pupils are encouraged to take responsibility and be fully involved in the school community – Head Boy and Head Girl, Year 6 Prefects, School Council, House Captains and Vice Captains, Mini Vinnies, E-Safety Officers, Eco-Council Recycling Officers and Reading Buddies, Singing Playground Leaders, Sport News Reporters and EAL buddies.

Our children have much involvement in St Alban's Parish and the wider community. Some examples are Christmas Carol Service at local Nursing Homes and Macclesfield Hospital, Sacramental Programme preparations, CAFOD, Mission Together, Good Shepherd Fund, Operation Christmas Child, NSPCC, Poppy Appeal, Age UK, East Cheshire Hospice, Macclesfield Care and Concern Homeless Project, Salvation Army, Cheshire East Recycling, Fair Trade Fortnight, Downs Syndrome Association, Cancer Research UK, Fish'n'chip Jumpers for Africa, Children in Need and Time 2 Change ethical business initiative

Saint Mary's Catholic Primary School

The pupils at Saint Mary's Catholic Primary School demonstrate their social conscience through the high number of fund raising activities which they organise each year. In 2014 to 2015, the school raised over £2500 for a number of charities including St Vincent de Paul's, Cafod, Cancer Research UK, East Cheshire Hospice, British Legion and Christian Aid.

St Paul's Catholic Primary School

St Paul's has very strong, personal links with three main settings: St James' Orphanage School in Uganda which we raise money to build exam rooms, tables and now a medical centre (they named a prayer garden after the school called St Paul's Place) and Starehe Boys and Girls Schools in Kenya (supported by the Martin Donaldson Trust) who visit us each year. We also regularly support charities linked with causes which have touched children's lives in our school: Click Sargent, JDRF (Juvenile Diabetes Research Foundation) Macmillan Cancer Support, British Red Cross and Reuben's Retreat. Mini-Vinnies, Mission Together, British Legion and CAFOD fundraising run throughout the year.

**Strategic report**

**Achievements and performance**

**a. Going concern**

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

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**b. Key financial performance indicators**

Staff Costs as a percentage of total DfE income

	2015		2014	
	Budget	Actual	Budget	Actual
Teaching	62%	50%	63%	58%
Educational Support	8%	7%	9%	8%
Other Academy Support	10%	9%	7%	8%

Expenditure on Direct Educational Supplies & Services per student: £494 (2014: £452)

**c. Review of activities**

The major activity of the year was the expansion of the Trust to include the three new primary schools. St Alban's and St Paul's joined on 1 March 2015 and St Mary's followed a month later on 1 April 2015.

During the year ended 31 August 2015, total expenditure of £8,501,983 (2014: £6,943,088) was covered by recurrent grant funding from the EFA and LA together with other incoming resources. The excess of income over expenditure for the year totalled £4,232,654 (2014: deficit £800,485).

At 31 August 2015 the net book value of fixed assets was £34,124,577 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academies within the Trust.

The company shows the deficit in relation to its staff in the Local Government Pension Scheme (LGPS) in its balance sheet. This deficit totalled £1,949,000 at 31st August 2015 (2014: £926,000).

The Academy held fund balances at 31 August 2015 of £33,298,024 comprising £32,248,041 of restricted funds (including £1,949,000 pension reserve deficit) and £1,049,983 of unrestricted funds.

The Academies within the Trust have been awarded a number of grants as follows:

In 2013/14, All Hallows were awarded £519,468 from the Academies Capital Maintenance Fund and £499,900 from the Football Foundation for the development of a new, floodlit 3G pitch and changing facilities. This major project was completed and the facilities opened in 2014/15.

The school was awarded £269,385 from the DfE Condition Improvement Fund for the refurbishment of several roofs across the site. The work began just before the year end and is due for completion in December 2015.

Other grants included St Alban's being awarded £34,056 through the DfE Condition Improvement Fund (CIF) for resurfacing of paths. Also, St Paul's was awarded two grants through the DfE Condition Improvement Fund: £141,041 for playground re-surfacing and £46,318 for secure fencing.

**d. Investment policy and performance**

Investments are made only in accordance with written procedures approved by the individual Governing Bodies. Current investments are through a fixed rate deposit account and 95 day notice account.

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Financial review**

**a. Principal risks and uncertainties**

At their meetings, Governors consider and monitor the potential risks arising from each of the Academy's operations. They assess the materiality and likelihood of risks occurring and determine the actions that are needed to reduce and mitigate these risks.

There is a formal risk register at All Hallows which is reviewed regularly by the Finance and Resources committee. During 2015/16 procedures regarding the management of risk will be standardised across the Trust.

The major risk to which the Trust is exposed at 31 August 2015 is a reduction in levels of funding, either at the national level or more locally due to competition issues. This is being addressed via a focus on efficiency and income generation.

**b. Reserves policy**

The Governors review the reserve levels of the individual Academies annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The policy of the Governing Body is to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated. The Governors have determined that the appropriate level should be a minimum of £165,000. These reserves will provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,049,983 (2014: £553,473).

**c. Principal funding**

The Academies' core funding has been in the form of General Annual Grant (GAG) from the EFA. This includes the mainstreamed grants. Income relating to SEN funding has been received from the Local Authority.

All of the grants receivable from the EFA and the LA during the year to 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

**Plans for future periods**

**a. Future developments**

The multi-academy trust would hope to build on the successes of current partnership working in terms of learning outcomes, collaboration and procurement success across all schools in the partnership. The extent to which this is part of the work of the MAT will be determined by the number of partnership schools becoming academies. The AHLC plans and activities will be maintained as they are, pending the full inclusion of all partners in the Trust. The plans for All Hallows and the other schools currently in the Trust centre on continuing to maximise achievement for all in the context of a vibrant learning community, which believes in the development of the whole person. The focus is on teaching and learning and providing excellent professional development for teachers so the schools can maintain the upward trend in outstanding lesson judgements. The schools will continue to maximise the benefits that arise from their expertise in teacher learning and school to school support in ensuring their own provision is up to date and of the highest standards.

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**


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**Disclosure of information to auditors**

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

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

This report, incorporating the Strategic report, was approved by order of the Board of Trustees, as the company directors, on \_\_\_\_\_ and signed on the board's behalf by:

  
.....  
**Reverend D J Roberts**  
**Chair of Trustees**



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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT**

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**Scope of Responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Holy Family of Nazareth Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Reverend D J Roberts	2	3
Mr A Scott	2	3
Mr A S Billings	3	3
Mr J Daley	0	3
Mrs J M Feely	2	3
Mrs D Franklin	0	1
Mrs A Heaton	2	3
Mr T J Neill	2	3
Mr D J Cunningham	3	3
Mrs N Armstrong-Boyle	1	1
Mrs A M Connor	1	1
Mrs T M Cooke	1	1
Mr S W Gachuhi	0	1
Mrs S Humphries	1	1
Mrs C M Ingram	1	1
Mr N R Johnson	0	1
Mr J Kalnins	1	1
Mrs H E Knight	1	1

It should be noted that those Trustees who became a member of the Board as a result of the primary schools' conversion to academy status were not board members for the whole year and thus had fewer meetings that they were eligible to attend.

The Board is currently reviewing the governance of the Trust, with a view to streamlining the number of committees and revising the organisation's structure. This will provide greater transparency and accountability to the Board of the Multi Academy Trust. The work is expected to be complete in early 2015/16.

The Trustees have delegated functions, other than those defined as 'reserved functions' to the local Governing body (LGB) of the four individual Academies. The LGBs met 3 or 4 times during the year.

Each Academy has its own Finance Committee as a sub-committee of the LGB. Its purpose is to work in consultation with the Principal and Deputy Principal servicing the committee to provide guidance to the Governing Body on priorities and issues relating to finance and resources at the Academy. Major issues are referred to the full Governing Body for ratification.

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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The governors undertake periodic skills audits and reviews of training and the next one is scheduled to take place in January 2016

**Review of Value for Money**

As Accounting Officer, the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Supporting the work of the All Hallows Learning Community during 2014/15, which has had a particular focus on procurement, shared contracting and value for money. The community has worked together under the direction of the AHLC Business Manager to share information and ideas to ensure that savings have been made across the group as a whole. Particular successes in the year have included new and improved contract terms for photocopiers and savings on stationery.
- Sharing resources within the Multi Academy Trust and undertaking work as a group that would otherwise be contracted separately at higher cost. For example, use of central finance resources and support; centralisation of clerking services.
- Professionalisation of school to school support and costing thereof. Work done in other schools is always costed appropriately to ensure that the customer gets the service they require but that it is done in a manner and with an appropriate charge that ensures it is value for money for the Trust.

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

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

**Capacity to Handle Risk**

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

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (continued)**

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**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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 Risk and Control Framework is currently under review following the conversion of three new academies in the current financial year. New financial procedures are being written and the risk management and internal audit functions will be standardised.

Dains LLP have been the internal auditor of All Hallows Catholic College throughout the financial year. Prior to conversion, the primary schools were audited by Cheshire East County Council although between the date of conversion and the year end there have been no specific internal audits of the primary schools.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

On a termly basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Dains LLP visited AHCC on 11 March 2015 to review a number of areas including the payroll, purchases, the register of business interests, the risk register and VAT claims. The report was delivered in line with the schedule of work planned and no significant control issues were noted. However, various recommendations were made to improve the systems further. In addition, a VAT review, initiated at the request of the new Director of Finance and Business was begun in the year. The review is currently ongoing and findings and recommendations will be presented in the new financial year.

**Review of Effectiveness**

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST  
(A company limited by guarantee)

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GOVERNANCE STATEMENT (continued)

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The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the and 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 Trustees on 15/12/2015 and signed on its behalf, by:

  
.....  
Reverend D J Roberts  
Chair of Trustees

  
.....  
Mr A-S Billings  
Accounting Officer

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of The Holy Family of Nazareth Catholic Academy Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Trust Board of Trustees are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook.

Except for the matters detailed below I confirm that no instances of material irregularity, impropriety or funding non-compliance discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and EFA.

**Governing body committee structure**

The Academy Trust has not yet formed a governing body committee structure and therefore does not have an audit committee or another committee, such as a finance committee, whose combined remit includes the functions of an audit committee.

**Risk management policy**

The Academy Trust does not have a Risk management policy.

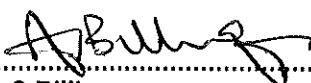
**Risk register**

At multi academy trust board level risks have not been recorded or monitored throughout the year.

**Pecuniary interest disclosure**

The Academy Trust has not published on its website, the relevant business and pecuniary interests of trustees and members.

None of the above matters have previously been notified to the EFA.



.....  
**Mr A S Billings**  
Accounting Officer

Date: 15/12/2015

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**TRUSTEES' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 15/12/2015 and signed on its behalf by:

  
.....  
**Reverend D J Roberts**  
Chair of Trustees

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLY FAMILY OF NAZARETH  
CATHOLIC ACADEMY TRUST**

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

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

**Respective responsibilities of Trustees and auditors**

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

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

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

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

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

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THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST  
(A company limited by guarantee)

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLY FAMILY OF NAZARETH  
CATHOLIC ACADEMY TRUST

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

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

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

*Moore Stephens.*

Ashley M Conway (Senior statutory auditor)  
for and on behalf of

**Moore Stephens, Statutory Auditor**

Chartered Accountants

6 Ridge House

Ridgehouse Drive

Festival Park

Stoke-on-Trent

Staffordshire

ST1 5TL

Date:

*17/12/2015*



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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 31 October 2013 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 The Holy Family of Nazareth Catholic Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Holy Family of Nazareth Catholic Academy Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Holy Family of Nazareth Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 31 December 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE HOLY  
FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**  
(continued)

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The work undertaken to draw our conclusions includes:

- consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the Accounting Officer and Governing Body;
- tests of control have been carried out on control activities which are relevant to regularity; and
- on a sample basis, substantive testing of individual transactions.

**Conclusion**

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

**Governing body committee structure**

The Academy Trust has not yet formed a governing body committee structure and therefore does not have an audit committee or another committee, such as a finance committee, whose combined remit includes the functions of an audit committee.

**Risk management policy**

The Academy Trust does not have a Risk management policy.

**Risk register**

At multi academy trust board level risks have not been recorded or monitored throughout the year.

**Pecuniary interest disclosure**

The Academy Trust has not published on its website, the relevant business and pecuniary interests of trustees and members.

*Moore Stephens*

**Moore Stephens**  
Chartered Accountants  
6 Ridge House  
Ridgehouse Drive  
Festival Park  
Stoke-on-Trent  
Staffordshire  
ST1 5TL

Date: 17/12/2015

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Exceptional item - net assets on conversion	2	349,841	(938,000)	4,071,000	3,482,841	-
Other voluntary income	2	4,434	9,749	-	14,183	22,055
Activities for generating funds	3	150,993	314,234	-	465,227	318,865
Investment income	4	975	-	-	975	7,769
Incoming resources from charitable activities	5	-	7,545,067	1,222,344	8,767,411	6,295,912
<b>TOTAL INCOMING RESOURCES</b>		<b>506,243</b>	<b>6,931,050</b>	<b>5,293,344</b>	<b>12,730,637</b>	<b>6,644,601</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds:						
Costs of generating voluntary income	6	9,733	278,885	-	288,618	176,181
Charitable activities		-	7,560,358	613,638	8,173,996	6,746,104
Governance costs	7	-	39,369	-	39,369	20,801
<b>TOTAL RESOURCES EXPENDED</b>	10	<b>9,733</b>	<b>7,878,612</b>	<b>613,638</b>	<b>8,501,983</b>	<b>6,943,086</b>
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS</b>		<b>496,510</b>	<b>(947,562)</b>	<b>4,679,706</b>	<b>4,228,654</b>	<b>(298,485)</b>

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	19	-	(262,069)	262,069	-	-
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR</b>		<b>496,510</b>	<b>(1,209,631)</b>	<b>4,941,775</b>	<b>4,228,654</b>	<b>(298,485)</b>
Actuarial gains and losses on defined benefit pension schemes		-	4,000	-	4,000	(502,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>496,510</b>	<b>(1,205,631)</b>	<b>4,941,775</b>	<b>4,232,654</b>	<b>(800,485)</b>
<i>Total funds at 1 September 2014</i>		<i>553,473</i>	<i>(670,905)</i>	<i>29,182,802</i>	<i>29,065,370</i>	<i>29,865,855</i>
<b>TOTAL FUNDS AT 31 AUGUST 2015</b>		<b>1,049,983</b>	<b>(1,876,536)</b>	<b>34,124,577</b>	<b>33,298,024</b>	<b>29,065,370</b>

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.


The notes on pages 29 to 51 form part of these financial statements.

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08307881**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	16		34,124,577		29,182,802
<b>CURRENT ASSETS</b>					
Debtors	17	551,116		416,601	
Cash at bank and in hand		1,639,223		1,528,469	
		<u>2,190,339</u>		<u>1,945,070</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(1,067,892)		(1,136,502)	
<b>NET CURRENT ASSETS</b>			<u>1,122,447</u>		<u>808,568</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>35,247,024</u>		<u>29,991,370</u>
Defined benefit pension scheme liability	26		(1,949,000)		(926,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>33,298,024</u></u>		<u><u>29,065,370</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	19	72,464		255,095	
Restricted fixed asset funds	19	34,124,577		29,182,802	
		<u>34,197,041</u>		<u>29,437,897</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,949,000)		(926,000)	
		<u></u>		<u></u>	
Total restricted funds			32,248,041		28,511,897
Unrestricted funds	19		1,049,983		553,473
<b>TOTAL FUNDS</b>			<u><u>33,298,024</u></u>		<u><u>29,065,370</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 15/12/2015 and are signed on their behalf, by:

  
Reverend D J Roberts  
Trustee

The notes on pages 29 to 51 form part of these financial statements.

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	21	(481,952)	633,093
Returns on investments and servicing of finance	22	975	7,768
Capital expenditure and financial investment	22	241,890	(336,333)
Cash transferred on conversion to an academy trust	24	349,841	-
<b>INCREASE IN CASH IN THE YEAR</b>		<b>110,754</b>	<b>304,528</b>

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

	2015 £	2014 £
Increase in cash in the year	110,754	304,528
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>110,754</b>	<b>304,528</b>
Net funds at 1 September 2014	1,528,469	1,223,941
<b>NET FUNDS AT 31 AUGUST 2015</b>	<b>1,639,223</b>	<b>1,528,469</b>

The notes on pages 29 to 51 form part of these financial statements.

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

**1.2 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

**1.3 Incoming resources**

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

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

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

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

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

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

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
(A company limited by guarantee)

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

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**1. ACCOUNTING POLICIES (continued)**

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

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

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

**1.4 Resources expended**

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Where land and buildings are occupied under a supplemental agreement they are recognised in the balance sheet, with a corresponding donation being recognised within the restricted fixed asset fund, and depreciated over their expected useful economic life. 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 Trust's depreciation policy.



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

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**1. ACCOUNTING POLICIES (continued)**

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

L/Term Leasehold land	-	125 years straight line
L/Term Leasehold property	-	50 years straight line
L/Term Leasehold improvements	-	10 years straight line
Fixtures and fittings	-	4 years straight line
Computer equipment	-	3 years straight line

**1.7 Operating leases**

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

**1.8 Taxation**

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

**1.9 Pensions**

Retirement benefits to employees of the Trust 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 Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the Trust 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.10 Conversion to an academy trust**

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

The assets and liabilities transferred on conversion from St Alban's Catholic Primary School, St Mary's Catholic Primary School and St Paul's Catholic Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Holy Family of Nazareth Catholic Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transactions are set out in note 24.

**2. VOLUNTARY INCOME**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Exceptional item - net assets on conversion	349,841	3,133,000	3,482,841	-
Donations	4,434	9,749	14,183	22,055
Voluntary income	354,275	3,142,749	3,497,024	22,055

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Trip income	-	199,106	199,106	165,630
Other income	111,341	115,128	226,469	128,685
Lettings income	39,652	-	39,652	24,550
	150,993	314,234	465,227	318,865

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**4. INVESTMENT INCOME**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Interest receivable	975	-	975	7,769
	<u>975</u>	<u>-</u>	<u>975</u>	<u>7,769</u>

**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant	-	6,812,657	6,812,657	5,618,394
Start Up Grants	-	50,000	50,000	-
Other DfE/EFA Grants	-	488,307	488,307	411,700
Capital Grants	-	1,222,344	1,222,344	142,895
SEN	-	184,108	184,108	122,923
Other Grant Income	-	9,995	9,995	-
	<u>-</u>	<u>8,767,411</u>	<u>8,767,411</u>	<u>6,295,912</u>

**6. COST OF ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Trips	-	278,885	278,885	159,626
Lettings	9,733	-	9,733	16,555
	<u>9,733</u>	<u>278,885</u>	<u>288,618</u>	<u>176,181</u>

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**7. GOVERNANCE COSTS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	-	9,821	9,821	7,500
Governance Auditors' non audit costs	-	4,757	4,757	11,884
Governance - Legal and professional fees	-	24,791	24,791	-
Governance - Trustees expenses and training	-	-	-	1,417
	<u>-</u>	<u>39,369</u>	<u>39,369</u>	<u>20,801</u>

**8. DIRECT COSTS**

	Activities £	Total 2015 £	Total 2014 £
Educational supplies	595,601	595,601	639,108
Staff development	109,345	109,345	120,131
Wages and salaries	4,251,595	4,251,595	3,409,760
National insurance	304,559	304,559	260,338
Pension cost	588,261	588,261	467,675
Depreciation	582,956	582,956	498,405
	<u>6,432,317</u>	<u>6,432,317</u>	<u>5,395,417</u>

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**9. SUPPORT COSTS**

	Activities £	Total 2015 £	Total 2014 £
Pension scheme interest cost	27,000	27,000	5,000
Legal and professional	79,824	79,824	18,558
Maintenance of premises and equipment	152,002	152,002	220,662
Catering	86,962	86,962	37,778
Technology costs	40,299	40,299	-
Cleaning	107,091	107,091	101,609
Rent and rates	95,000	95,000	59,176
Insurance	61,570	61,570	44,185
Transport and security	131,380	131,380	91,654
Energy costs	87,869	87,869	80,899
Other support costs	162,068	162,068	156,869
Wages and salaries	491,131	491,131	420,512
National insurance	28,285	28,285	24,003
Pension cost	160,516	160,516	63,550
Depreciation	30,682	30,682	26,232
	<u>1,741,679</u>	<u>1,741,679</u>	<u>1,350,687</u>

**10. RESOURCES EXPENDED**

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other Costs 2015 £	Total 2015 £	Total 2014 £
Costs of activities for generating funds	-	-	288,618	288,618	176,181
<b>Costs of generating funds</b>	<u>-</u>	<u>-</u>	<u>288,618</u>	<u>288,618</u>	<u>176,181</u>
Direct costs	5,144,415	383,184	904,718	6,432,317	5,395,417
Support costs	679,932	328,739	733,008	1,741,679	1,350,687
<b>Charitable activities</b>	<u>5,824,347</u>	<u>711,923</u>	<u>1,637,726</u>	<u>8,173,996</u>	<u>6,746,104</u>
<b>Governance</b>	<u>-</u>	<u>-</u>	<u>39,369</u>	<u>39,369</u>	<u>20,801</u>
	<u>5,824,347</u>	<u>711,923</u>	<u>1,965,713</u>	<u>8,501,983</u>	<u>6,943,086</u>

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**11. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- charge for the year	613,639	524,637
Auditors' remuneration	9,821	7,500
Auditors' remuneration - non-audit	4,757	2,750
Operating lease rentals:		
- plant and machinery	17,068	27,308
	<u>17,068</u>	<u>27,308</u>

**12. STAFF**

**a. Staff costs**

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,742,726	3,830,272
Social security costs	332,844	284,341
Pension costs (Note 26)	748,777	531,225
	<u>5,824,347</u>	<u>4,645,838</u>

**b. Staff severance payments**

During the year £48,000 (2014: £47,139) was paid to an individual for compensation on loss of office under a settlement agreement. In addition £nil (2014: £48,000) has been accrued for amounts payable to an individual for compensation on loss of office under a settlement agreement.

**c. Staff numbers**

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

	2015 No.	2014 No.
Teachers	81	71
Administration and support	59	37
Management	13	8
	<u>153</u>	<u>116</u>

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**12. STAFF (continued)**

**d. Higher paid staff**

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	2	2
In the band £90,001 - £100,000	0	2
In the band £130,000 - £140,000	1	0

The above employees participated in the Teachers Pension Scheme. During the year ended 31 August 2015, pension contributions for these members of staff amounted to £36,064 (2014: £44,708).

**13. CENTRAL SERVICES**

No central services were provided by the Trust to its academies during the year.

As at 31 August 2015, the Trust did not yet have a formal policy for charging central services to the schools within the multi academy trust. Only since 1 March 2015 has there been more than one school in the Trust and thus the need to establish such a policy. Each of the schools currently in the Trust are working collaboratively with the Trust Board to draw up a policy which accurately and fairly reflects the level of central services provided and the costs, and thus the charges, related to those services. The types of services provided are likely to be across a range of areas such as financial and legal support, clerking services, insurances and others as time progresses. They will be provided by a mixture of existing and third party resource. In the year ended 31 August 2015, there were no formal charges to schools within the multi academy trust. Instead, any services provided were either paid direct from individual schools to third party suppliers or were offered informally from central resource, pending the finalisation of an agreed policy.

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**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**14. TRUSTEES' REMUNERATION AND EXPENSES**

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

**Remuneration**

	2015 £	2014 £
Mr A S Billings	130,000-135,000	95,000-100,000
Mrs A Heaton	30,000-35,000	25,000-30,000
Mrs A M Connor	65,000-70,000	N/A
Mrs N Armstrong-Boyle	25,000-30,000	N/A
Mrs T M Cooke	25,000-30,000	N/A
Mrs S Humphries	20,000-25,000	N/A

**Employer pension contributions**

	2015 £	2014 £
Mr A S Billings	15,000-20,000	10,000-15,000
Mrs A Heaton	0-5,000	0-5,000
Mrs A M Connor	5,000-10,000	N/A
Mrs N Armstrong-Boyle	0-5,000	N/A
Mrs T M Cooke	0-5,000	N/A
Mrs S Humphries	0-5,000	N/A

During the year ended 31 August 2015, no expenses (2014 - £nil) were reimbursed to any Trustees (2014 - nil).

**15. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £250,000 on any one claim and the cost for the year ended 31 August 2015 was £1,932 (2014 - £876). The cost of this insurance is included in the total insurance cost.



**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**16. TANGIBLE FIXED ASSETS**

	L/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
<b>Cost</b>					
At 1 September 2014	29,216,885	265,011	373,210	135,148	29,990,254
Additions	199,805	7,342	57,067	1,220,200	1,484,414
Transfer on conversion	4,056,000	5,000	10,000	-	4,071,000
Transfer between classes	1,308,619	-	-	(1,308,619)	-
At 31 August 2015	<u>34,781,309</u>	<u>277,353</u>	<u>440,277</u>	<u>46,729</u>	<u>35,545,668</u>
<b>Depreciation</b>					
At 1 September 2014	569,751	69,258	168,443	-	807,452
Charge for the year	424,581	73,896	115,162	-	613,639
At 31 August 2015	<u>994,332</u>	<u>143,154</u>	<u>283,605</u>	<u>-</u>	<u>1,421,091</u>
<b>Net book value</b>					
At 31 August 2015	<u>33,786,977</u>	<u>134,199</u>	<u>156,672</u>	<u>46,729</u>	<u>34,124,577</u>
At 31 August 2014	<u>28,647,134</u>	<u>195,753</u>	<u>204,767</u>	<u>135,148</u>	<u>29,182,802</u>

L/Term leasehold property includes land and buildings occupied under supplemental agreements. The freehold to this property is held by Shrewsbury Roman Catholic Diocesan Trust.

**17. DEBTORS**

	2015 £	2014 £
Trade debtors	76,682	49,086
Other debtors	310,183	145,766
Prepayments and accrued income	164,251	221,749
	<u>551,116</u>	<u>416,601</u>

**THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**18. CREDITORS:**  
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	208,201	48,917
Other taxation and social security	105,093	72,123
Other creditors	109,562	72,873
Accruals and deferred income	645,036	942,589
	<u>1,067,892</u>	<u>1,136,502</u>
		£
<b>Deferred income</b>		
Deferred income at 1 September 2014		539,042
Resources deferred during the year		364,765
Amounts released from previous years		<u>(539,042)</u>
Deferred income at 31 August 2015		<u>364,765</u>

**19. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds	553,473	506,243	(9,733)	-	-	1,049,983
<b>Restricted funds</b>						
General Annual Grant (GAG)	255,095	6,812,657	(6,733,219)	(262,069)	-	72,464
SEN Funding	-	184,108	(184,108)	-	-	-
Other DfE/EFA Grants	-	488,307	(488,307)	-	-	-
Other income	-	333,978	(333,978)	-	-	-
Start up grant	-	50,000	(50,000)	-	-	-
Pension reserve	(926,000)	(938,000)	(89,000)	-	4,000	(1,949,000)
	<u>(670,905)</u>	<u>6,931,050</u>	<u>(7,878,612)</u>	<u>(262,069)</u>	<u>4,000</u>	<u>(1,876,536)</u>

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**19. STATEMENT OF FUNDS (continued)**

**Restricted fixed asset funds**

Land and buildings	28,782,282	5,276,200	(424,581)	199,805	-	33,833,706
General fixed asset fund	400,520	17,144	(189,057)	62,264	-	290,871
	<u>29,182,802</u>	<u>5,293,344</u>	<u>(613,638)</u>	<u>262,069</u>	<u>-</u>	<u>34,124,577</u>
Total restricted funds	<u>28,511,897</u>	<u>12,224,394</u>	<u>(8,492,250)</u>	<u>-</u>	<u>4,000</u>	<u>32,248,041</u>
Total of funds	<u>29,065,370</u>	<u>12,730,637</u>	<u>(8,501,983)</u>	<u>-</u>	<u>4,000</u>	<u>33,298,024</u>

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

The General Annual Grant (GAG) fund is for the charitable purposes of the Trust and applied under the EFA guidance.

Other DfE/EFA grants are grants from the DfE and EFA which are not the GAG but are used for the charitable purposes of the Trust.

The SEN funding reserve relates solely to the income and expenditure relating to pupils with special educational needs.

Other income relates to miscellaneous income received and restricted donations on conversion.

The pension reserve relates to the Local Government Pension Scheme (LGPS).

Restricted fixed asset fund relates to assets purchased or inherited less depreciation.

Transfers between the restricted fund and the fixed asset fund relates to the purchase of fixed assets for educational purposes.

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

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**19. STATEMENT OF FUNDS (continued)**

**Analysis of academies by fund balance**

Fund balances at 31 August 2015 were allocated as follows:

	Total £
All Hallows Catholic College	522,146
St Alban's Catholic Primary School	158,402
St Mary's Catholic Primary School	200,327
St Paul's Catholic Primary	241,572
Total before fixed asset fund and pension reserve	1,122,447
Restricted fixed asset fund	34,124,577
Pension reserve	(1,949,000)
Total	33,298,024

**Analysis of academies by cost**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
All Hallows Catholic College	4,369,632	461,988	507,210	1,190,236	6,529,066
St Alban's Catholic Primary School	395,611	65,585	37,293	112,764	611,253
St Mary's Catholic Primary School	205,080	46,631	21,854	46,457	320,022
St Paul's Catholic Primary School	174,093	43,728	29,246	91,941	339,008
	<u>5,144,416</u>	<u>617,932</u>	<u>595,603</u>	<u>1,441,398</u>	<u>7,799,349</u>

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**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	34,124,577	34,124,577	29,182,802
Current assets	1,049,983	1,140,356	-	2,190,339	1,945,070
Creditors due within one year	-	(1,067,892)	-	(1,067,892)	(1,136,502)
Provisions for liabilities and charges	-	(1,949,000)	-	(1,949,000)	(926,000)
	<u>1,049,983</u>	<u>(1,876,536)</u>	<u>34,124,577</u>	<u>33,298,024</u>	<u>29,065,370</u>

**21. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2015 £	2014 £
Net incoming resources before revaluations	4,228,654	(298,485)
Returns on investments and servicing of finance	(975)	(7,768)
Exceptional items - donated on conversion (note 24)	(3,482,841)	-
Depreciation of tangible fixed assets	613,639	524,637
Capital grants from DfE	(1,222,344)	(142,895)
Increase in debtors	(134,515)	(126,529)
(Decrease)/increase in creditors	(572,570)	675,133
FRS 17 pension cost less contributions payable	62,000	4,000
FRS 17 pension finance charge	27,000	5,000
<b>Net cash (outflow)/inflow from operations</b>	<u>(481,952)</u>	<u>633,093</u>

**22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>975</u>	<u>7,768</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(1,331,159)	(479,228)
Capital grants from DfE	1,573,049	142,895
<b>Net cash inflow/(outflow) capital expenditure</b>	<u>241,890</u>	<u>(336,333)</u>

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**23. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,528,469	110,754	-	1,639,223
<b>Net funds</b>	<b>1,528,469</b>	<b>110,754</b>	<b>-</b>	<b>1,639,223</b>

**24. EXCEPTIONAL ITEMS - CONVERSION TO AN ACADEMY TRUST**

On 1 March 2015 St Alban's Catholic Primary School and St Paul's Catholic Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Holy Family of Nazareth Catholic Academy Trust from Cheshire East Council for £NIL and £NIL consideration respectively.

On 1 April 2015 St Mary's Catholic Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Holy Family of Nazareth Catholic Academy Trust from Cheshire East Council for £NIL consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

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

**St Alban's Catholic Primary School**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	1,662,000	1,662,000
- Other tangible fixed assets	-	-	15,000	15,000
Budget surplus/(deficit) on LA funds	9,935	-	-	9,935
LGPS pension surplus/(deficit)	-	(487,000)	-	(487,000)
Other identified assets and liabilities	73,542	-	-	73,542
<b>Net assets/(liabilities)</b>	<b>83,477</b>	<b>(487,000)</b>	<b>1,677,000</b>	<b>1,273,477</b>

The above net assets include £83,477 that were transferred as cash.

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**St Paul's Catholic Primary School**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	-
- Leasehold land and buildings	-	-	1,019,000	1,019,000
Budget surplus/(deficit) on LA funds	59,770	-	-	59,770
LGPS pension surplus/(deficit)	-	(179,000)	-	(179,000)
Other identified assets and liabilities	78,432	-	-	78,432
<b>Total</b>	<b>138,202</b>	<b>(179,000)</b>	<b>1,019,000</b>	<b>978,202</b>

The above net assets include £138,202 that were transferred as cash.

**St Mary's Catholic Primary School**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	-
- Leasehold land and buildings	-	-	1,375,000	1,375,000
Budget surplus/(deficit) on LA funds	44,457	-	-	44,457
LGPS pension surplus/(deficit)	-	(272,000)	-	(272,000)
Other identified assets and liabilities	83,705	-	-	83,705
<b>Net assets/(liabilities)</b>	<b>128,162</b>	<b>(272,000)</b>	<b>1,375,000</b>	<b>1,231,162</b>

The above net assets include £128,162 that were transferred as cash.

**TOTAL**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	-
- Leasehold land and buildings	-	-	4,056,000	4,056,000
- Other tangible fixed assets	-	-	15,000	15,000
Budget surplus/(deficit) on LA funds	114,162	-	-	114,162
LGPS pension surplus/(deficit)	-	(938,000)	-	(938,000)
Other identified assets and liabilities	235,679	-	-	235,679
<b>Net assets/(liabilities)</b>	<b>349,841</b>	<b>(938,000)</b>	<b>4,071,000</b>	<b>3,482,841</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**25. CAPITAL COMMITMENTS**

At 31 August 2015 the Trust had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>328,569</u>	<u>930,805</u>

**26. PENSION COMMITMENTS**

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

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

Contributions amounting to £106,000 were payable to the scheme at 31 August 2015 (2014 - £68,000) and are included within creditors.

**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;



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**26. PENSION COMMITMENTS (continued)**

- 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 £480,999 (2014: £388,358).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £251,000, of which employer's contributions totalled £200,000 and employees' contributions totalled £51,000. The agreed contribution rates for future years are 22% for employers and 5.5% to 12.5% for employees.

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

As described in note 24 the LGPS obligation transferred on conversion relates to the employees of the academies who were the employees transferred as part of the conversion from the maintained schools and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and within the Trust at the balance sheet date.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. PENSION COMMITMENTS (continued)**

The Trust'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>Expected return at 31 August 2014 %</b>	<b>Fair value at 31 August 2014 £</b>
Equities	*	1,103,000	6.30	636,000
Bonds	*	284,000	2.90	122,000
Property	*	142,000	4.50	61,000
Cash	*	47,000	3.30	52,000
Total market value of assets		<u>1,576,000</u>		<u>871,000</u>
Present value of scheme liabilities		<u>(3,525,000)</u>		<u>(1,797,000)</u>
Deficit in the scheme		<u><u>(1,949,000)</u></u>		<u><u>(926,000)</u></u>

\* The expected asset rates of return are those used by the actuary. The expected rates of return for 2015 have been set equal to the discount rate (as per the forthcoming FRS102 disclosure requirements). This is not consistent with the requirements under the Accounts Direction 2014 to 2015. However it is considered unlikely to result in a material misstatement and has no impact on the net liability at the period end. The rates used are 3.7% for £1,467,000 of the scheme assets and 3.8% for £109,000 of the scheme assets.

The amounts recognised in the Balance Sheet are as follows:

	<b>2015 £</b>	<b>2014 £</b>
Present value of funded obligations	(3,525,000)	(1,797,000)
Fair value of scheme assets	<u>1,576,000</u>	<u>871,000</u>
Net liability	<u><u>(1,949,000)</u></u>	<u><u>(926,000)</u></u>

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2015 £</b>	<b>2014 £</b>
Current service cost	(262,000)	(146,000)
Interest on obligation	(93,000)	(72,000)
Expected return on scheme assets	<u>66,000</u>	<u>67,000</u>
Total	<u><u>(289,000)</u></u>	<u><u>(151,000)</u></u>
Actual return on scheme assets	<u><u>43,000</u></u>	<u><u>146,000</u></u>

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**26. PENSION COMMITMENTS (continued)**

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

	2015 £	2014 £
Opening defined benefit obligation	1,797,000	1,466,000
Current service cost	262,000	146,000
Interest cost	93,000	72,000
Contributions by scheme participants	51,000	34,000
Actuarial (gains)/losses	(52,000)	82,000
Benefits paid	(57,000)	(3,000)
Defined benefit obligation acquired on conversion	1,431,000	-
	<u>3,525,000</u>	<u>1,797,000</u>
Closing defined benefit obligation	<u>3,525,000</u>	<u>1,797,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	871,000	1,051,000
Expected return on assets	66,000	67,000
Actuarial losses	(48,000)	(420,000)
Contributions by employer	200,000	142,000
Contributions by employees	51,000	34,000
Benefits paid	(57,000)	(3,000)
Fair value of scheme assets acquired on conversion	493,000	-
	<u>1,576,000</u>	<u>871,000</u>
	<u>1,576,000</u>	<u>871,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £(521,000) (2014 - £(525,000)).

The Trust expects to contribute £254,000 to its defined benefit pension scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities***	3.70 %	3.70 %
Expected return on scheme assets at 31 August**	**	5.60 %
Rate of increase in salaries***	3.50 %	3.40 %
Rate of increase for pensions in payment / inflation***	2.60 %	2.60 %

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**26. PENSION COMMITMENTS (continued)**

\*\* See note above in respect of: Expected return on scheme assets at 31 August.

\*\*\* The assumptions set out above have been used by the actuary to value £3,229,000 of the scheme liabilities. The assumptions set out below have been used by the actuary to value £296,000 of the scheme liabilities.

	2015	2014
Discount rate for scheme liabilities	3.80 %	- %
Rate of increase in salaries	3.60 %	- %
Rate of increase for pensions in payment / inflation	2.70 %	- %

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

	2015	2014
Retiring today		
Males	22.3	22.3
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.1
Females	26.7	26.7

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(3,525,000)	(1,797,000)	(1,466,000)
Scheme assets	1,576,000	871,000	1,051,000
Deficit	(1,949,000)	(926,000)	(415,000)
Experience adjustments on scheme liabilities	24,000	(38,000)	-
Experience adjustments on scheme assets	(48,000)	(420,000)	66,000

**27. OPERATING LEASE COMMITMENTS**

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

	2015 £	2014 £
Expiry date:		
Between 2 and 5 years	27,877	17,068

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**28. RELATED PARTY TRANSACTIONS**

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

During the previous period caretaking services were provided by Mr N Billings, the son of Mr A Billings who is the Principal of the academy trust. These services amounted to £780 and the amount owed at 31 August 2014 owing to Mr N Billings was £nil.

Mr A Billings, the Principal of All Hallows Catholic College and the Accounting Officer is also the Executive Principal at St Chad's Catholic and Church of England High School. The Trust provides services to St Chad's Catholic and Church of England High school and during the year these amounted to £116,382. At the year end the amount owed from St Chad's Catholic and Church of England High School was £19,058.

**29. 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.