

Registered number: 08307881

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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST
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CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1
Trustees' report	2 - 9
Governance statement	10 - 12
Statement on regularity, propriety and compliance	13
Trustees' responsibilities statement	14
Independent auditors' report	15 - 16
Independent reporting accountant's assurance report on regularity	17 - 18
Statement of financial activities	19 - 20
Balance sheet	21
Cash flow statement	22
Notes to the financial statements	23 - 43

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members

Reverend D Roberts
Mr A Scott
Bishop M Davies

Trustees

Mr A S Billings, Principal of All Hallows Catholic College
Father P H Burke, Parish Priest
Mr J Daley, Head of St Gregory's Catholic Primary School
Mrs J M Feely, Chair of Governors at All Hallows Catholic College
Mrs D Franklin, Parent Governor
Mrs A Heaton, Staff Governor
Mrs C Lawrence, Financial Secretary, Diocese of Shrewsbury (resigned 18 March 2014)
Mr T J Neill, Chair of Governors at Christ the King Catholic and CE
Reverend D J Roberts, Director of Education for Diocese of Shrewsbury
Mr A Scott, Director of Schools, Diocese of Shrewsbury
Mr D J Cunningham (appointed 18 March 2014)

Company registered number

08307881

Principal and registered office

Brooklands Avenue, Macclesfield, Cheshire, SK11 8LB

Company secretary

Mrs J Leigh (appointed 1 September 2014)
Mrs J Connolly (resigned 31 August 2014)

Accounting officer

Mr A S Billings

Independent auditors

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

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

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 2014. 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 academy. The Charitable Company is known as All Hallows Catholic College a Voluntary Academy (AHCC).

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

The College has the following organisational structure:-

- Level 1: 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 Scheme 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.

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.

Governors are responsible for setting policies to be used within the Trust. The LGB of AHCC has 3 committees (Teaching & Learning; Human Resources; Finance and Resources). Each committee has Terms of Reference which help to aid the policy making process and outline the specific responsibilities of each committee.

The Local Governing Body has devolved responsibility for the day to day management of the Academy to the Principal supported by the Senior Leadership Team (SLT). The SLT comprises the Principal, two Deputy Principals, 3 Assistant Principals, 1 Senior Lead Practitioner and the Director of Finance and Business. The Principal has 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 LGB and the SLT reports back to the LGB on performance. The SLT is also responsible for the authorisation of spending within agreed budgets with some spending control being devolved to Faculty and Departmental Leaders. In turn, the LGB reports to the Academy Trust on the exercise of its responsibilities.

The Principal is the Accounting Officer.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

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.
- 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.

During the year under review the Multi Academy Trust held 2 meetings. The Governing Body and its Committees held a total of 16 meetings (4 Full Governing Body, 6 Finance and Resources, 3 Human Resources Committee and 3 Teaching, Learning and Curriculum Committee.)

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

The governors 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.

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

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

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 in the College Development Plan. They undertake a number of visits to the College 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 College draws 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.

e. Organisational structure

The Governing Body is collectively responsible for the overall direction of All Hallows Catholic College a Voluntary Academy and its strategic management. This involves determining the guiding principles within which the Academy operates, setting general policy, adopting a College 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 and Business Manager that it complies with financial regulations. The Principal is the Accounting Officer of the Academy.

The Governing Body recognises that it would be impractical to undertake all the day to day activities itself in discharging its responsibilities and that it is necessary to delegate some of its functions through committees and to the Principal and the Senior Management of the Academy.

The Senior Leadership Team (SLT) of the Academy comprises the Principal, two Deputy Principals, three Assistant Principals, one Senior Lead Practitioner and the Director of Finance and Business. These senior leaders manage the Academy at an executive level implementing the policies laid down by Governors and reporting back to them.

Responsibilities are distributed as follows:-

Tony Billings – Principal
Ann-Marie Connor – Head of School (7-8) and Deputy Principal
Peter Nickson – Head of School (9-11) and Deputy Principal
Martin Blades – Student Progress and Assistant Principal
Michelle Garvey – Student Progress and Assistant Principal
Augustine Diamond – Learning Support and Assistant Principal
Sarah Marshall - Senior Lead Practitioner. Teacher Learning and Coaching
Janet Leigh – Director of Finance and Business

The Senior Leadership Team meet weekly to discuss the strategic and operational matters of the Academy.

f. Connected organisations, including related party relationships

The first relationship of the Holy Family of Nazareth multi-academy trust 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 the HFN is operating as a shadow trust with one academy and trust member, that is, All Hallows Catholic College.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The schools in AHLC are All Hallows, St Alban's (Macclesfield, Upton), St Benedict's (Handforth), Christ the King* (Macclesfield, Moss Rose), St Gregory's (Bollington), St John the Evangelist* (Macclesfield), St Mary's (Congleton) and St Paul's (Poynton). [*Special arrangements will need to be considered at inter-diocesan level for the two schools which connected to the Anglican Church tradition.]

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 group on a regular basis to draw together and monitor the learning community development plan.

As a stand-alone academy, 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.
- 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.

g. Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors 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.

They are satisfied that these systems are consistent with guidelines issued by the DfE. The Academy adopted the Financial Procedures in place at the time of the conversion from All Hallows Catholic College. These systems and procedures are subject to on-going review and are amended as appropriate as legislation and circumstances dictate.

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 £2,000,000 on any one claim.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

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. All Hallows will also work with the Diocese and consider sponsoring other Catholic schools to becoming 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 11-19 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 governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy 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 all the main areas of the Academy.

Achievements and Performance

The HFN Multi academy trust, in its second year of operation, has one school which operates as an academy, that is All Hallows Catholic College. All Hallows became an academy on 1 January 2013 and it has achieved the predicted outcomes of the former voluntary aided school of the same name. 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 is regaining 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. There are 1,232 students in the college as of 25 September 2014 with year groups being over (+) or below (-) capacity as follows: Y7 (+21), Y8 (-7), Y9 (-24), Y10 (-3), Y11 (-6). The number in the Sixth Form (Y12 & 13) is 201. 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 for 2014 continue to place All Hallows in the top rank of schools nationally both at GCSE and A Level. (Top 20% for value added at GCSE in 2013). At GCE A Level, A* grades rose and bucked the national trend. 65% of students gained A* B and 100% of grades were passes. The average point score of 892 equates on average to three grades at A,A,B for each student. Progression rates to university are excellent at 92% with a third of students going to Russell Group universities. At GCSE 77% of students gained 5 or more A* C including 59% with both English and Mathematics. Attainment in the English Baccalaureate measure continues to rise as curricular changes take effect. The college continue to gain accolades for its work in Business and Enterprise and also for Languages.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

c. Activities for achieving objectives

To ensure that excellent standards are maintained and attainment continues to rise we:

- Set challenging targets for all subjects.
- Make judgements based on starting points and progress to targets using progress matrices and student 'flight paths'.
- Have reduced group sizes in English and Mathematics through the appointment of additional staff, and have added specialist graduate mentors to the teams.
- Have re-focused our efforts on staff development through the introduction of a weekly teacher professional learning programme.
- Have introduced reading time for all in tutor time to engender a love of reading and enhance literacy and writing skills.
- Have made the links between teacher learning, performance evaluation and pay progression clear.
- Enhanced arrangements for lesson observations and subject performance reviews.

d. Public benefit

The Governors 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.

e. Programme related investments

The college emphasis on education in values and through social enterprise has resulted in some notable achievements, including the support of a Clinic and Community Building project in Varusanadu, a mountain village in Tamil Nadu, South India. Over £3,000 was raised in the year to 31 August 2014 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.

Strategic report

Achievements and performance

a. Going concern

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

b. Key financial performance indicators

Staff Costs as a percentage of total DfE income

	2014		2013	
	Budget	Actual	Budget	Actual
Teaching	63%	58%	61%	60%
Educational Support	9%	8%	10%	10%
Other Academy Support	7%	8%	7%	8%

Expenditure on Direct Educational Supplies & Services per student: £452 (2013: £170.00)

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

c. Review of activities

During the year ended 31 August 2014, total expenditure of £6,943,088 (2013: £4,062,739 - restated) was covered by recurrent grant funding from the EFA and LA together with other incoming resources. The excess of expenditure over income for the year totalled £800,485 (2013: £(29,865,855) - restated).

At 31 August 2014 the net book value of fixed assets was £29,182,802 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 Academy.

The company shows the deficit in relation to its staff in the Local Government Pension Scheme (LGPS) in its balance sheet. This deficit totalled £926,000 at 31st August 2014 (2013: £415,000).

The Academy held fund balances at 31 August 2014 of £29,065,370 comprising £28,511,897 of restricted funds (including £926,000 pension reserve) deficit and £553,473 of unrestricted funds.

The Academy has been awarded a grant under the Academies Capital Maintenance Fund (ACMF) of £519,468 for the creation of a full sized floodlit all weather pitch with changing facilities. The Academy has also been awarded a grant from the Football Association for £499,900 match funding and work commenced during the financial year on the project. The project is due for completion in April 2015. During the year ended 31 August 2014 £119,151 was receivable in grant payments in respect of this project.

From the 2013/14 general grant, the Academy has contributed £34,110 towards a refurbishment of the RE department, £26,719 for new fitness suite equipment; £20,449 for fit out of its new 'Ubuntu' cafe and £13,940 for a refurbishment of the dance studio.

d. Investment policy and performance

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

Financial review

a. Principal risks and uncertainties

At their meetings, Governors consider and monitor the potential risks arising from 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. A formal risk register has been established and will be reviewed at least annually by the Finance and Resources Meeting and more frequently where necessary.

b. Reserves policy

The Governors review the reserve levels of the Academy 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 £553,473 (2013: £840,245).

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

c. Principal funding

The Academy's 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 2014 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 and human formation across all school 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 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 college can maintain the upward trend in outstanding lesson judgements. The college will continue to maximise the benefits that arise from its expertise in teacher learning and school to school support in ensuring its own provision is up to date and of the highest standards.

Funds held as custodian trustee on behalf of others

The Academy is holding £6,057 on behalf of the funds of the All Hallows Learning Community.

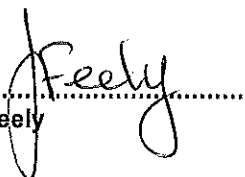
Disclosure of information to auditors

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 23/12/14 and signed on the board's behalf by:

.....
Mrs J M Feely
Trustee



THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST
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GOVERNANCE STATEMENT

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 2 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
Mr A S Billings, Principal	2	2
Father P H Burke	0	2
Mr J Daley	1	2
Mrs J M Feely	2	2
Mrs D Franklin	1	2
Mrs A Heaton	2	2
Mrs C Lawrence (resigned 18 March 2014)	1	1
Mr T J Neill (resigned 24 October 2013)	0	2
Reverend D J Roberts	2	2
Mr A Scott	2	2
Mr D J Cunningham (appointed 18 March 2014)	0	1

The Trustees have delegated functions, other than those defined as 'reserved functions' to the local Governing body (LGB) of All Hallows Catholic College. The LGB met 4 times during the year.

Attendance of trustees at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J M Feely	3	4
Mr A S Billings	4	4

The Finance and Resources Committee is a sub-committee of the board of trustees. 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 will be referred to the full Governing Body for ratification.

Attendance of trustees at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J M Feely	5	6
Mr A S Billings	6	6

The governors undertake periodic skills audits and reviews of training and the next one is scheduled to take place in January 2015

THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Holy Family of Nazareth Catholic Academy Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy'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 board of trustees has considered the need for a specific internal audit function and has decided to appoint Dains LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. 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 the academy on 13 February 2014 to review a number of areas including the payroll, income and expenditure systems, fixed assets and Insurance. The report was devliered 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.

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

GOVERNANCE STATEMENT (continued)

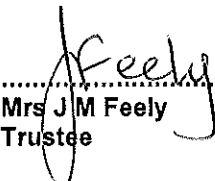
Review of Effectiveness

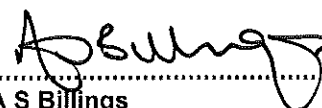
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- 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 academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the 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 23/12/14 and signed on its behalf, by:


.....
Mrs J M Feely
Trustee


.....
Mr A S Billings
Accounting Officer

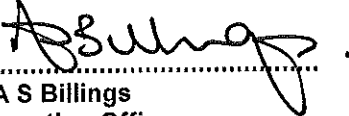
THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Holy Family of Nazareth Catholic Academy Trust I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2013).

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


.....
Mr A S Billings
Accounting Officer

Date: 23/12/14

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

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFADfE 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 23/12/14 and signed on its behalf by:


.....
Mrs J M Feely
Trustee

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

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

We have audited the financial statements of The Holy Family of Nazareth Catholic Academy Trust for the year ended 31 August 2014 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 2013 to 2014 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.

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 2014 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 2013 to 2014 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.

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

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

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

Staffs

ST1 5TL

Date:

23/12/2014

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

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

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 2013 to 2014, 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 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by 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.

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore Stephens

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

Date: 23/12/2014 ,

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 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds as restated 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Exceptional item - net assets on conversion	2	-	-	-	-	29,669,036
Other voluntary income	2	-	22,055	-	22,055	31,252
Activities for generating funds	3	58,347	260,518	-	318,865	141,187
Investment income	4	7,769	-	-	7,769	-
Incoming resources from charitable activities	5	-	6,153,017	142,895	6,295,912	4,110,119
TOTAL INCOMING RESOURCES		66,116	6,435,590	142,895	6,644,601	33,951,594
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	16,555	159,626	-	176,181	91,356
Charitable activities		-	6,221,467	524,637	6,746,104	3,960,955
Governance costs	7	-	20,801	-	20,801	10,428
TOTAL RESOURCES EXPENDED	10	16,555	6,401,894	524,637	6,943,086	4,062,739
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		49,561	33,696	(381,742)	(298,485)	29,888,855

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

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds as restated 2013 £
Transfers between Funds	20	(336,333)	-	336,333	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(286,772)	33,696	(45,409)	(298,485)	29,888,855
Actuarial gains and losses on defined benefit pension schemes		-	(502,000)	-	(502,000)	(23,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(286,772)	(468,304)	(45,409)	(800,485)	29,865,855
<i>Total funds at 1 September 2013</i>		<i>840,245</i>	<i>(202,601)</i>	<i>29,228,211</i>	<i>29,865,855</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2014		553,473	(670,905)	29,182,802	29,065,370	29,865,855

All activities relate to continuing operations.

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

The notes on pages 23 to 43 form part of these financial statements.

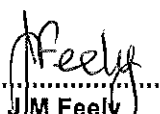
THE HOLY FAMILY OF NAZARETH CATHOLIC ACADEMY TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 08307881

**BALANCE SHEET
AS AT 31 AUGUST 2014**

	Note	£	2014 £	2013 as restated £
FIXED ASSETS				
Tangible assets	16		29,182,802	29,228,211
CURRENT ASSETS				
Debtors	17	416,601		290,070
Cash at bank and in hand		1,528,469		1,223,941
		<u>1,945,070</u>		<u>1,514,011</u>
CREDITORS: amounts falling due within one year	18	<u>(1,136,502)</u>		<u>(461,367)</u>
NET CURRENT ASSETS			<u>808,568</u>	<u>1,052,644</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>29,991,370</u>	<u>30,280,855</u>
Defined benefit pension scheme liability	26		<u>(926,000)</u>	<u>(415,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>29,065,370</u></u>	<u><u>29,865,855</u></u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	20	255,095		212,399
Restricted fixed asset funds	20	29,182,802		29,228,211
		<u>29,437,897</u>		<u>29,440,610</u>
Pension reserve		<u>(926,000)</u>		<u>(415,000)</u>
Total restricted funds			<u>28,511,897</u>	<u>29,025,610</u>
Unrestricted funds	20		<u>553,473</u>	<u>840,245</u>
TOTAL FUNDS			<u><u>29,065,370</u></u>	<u><u>29,865,855</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 23/12/2014 and are signed on their behalf, by:



 Mrs J M Feely
 Trustee

The notes on pages 23 to 43 form part of these financial statements.

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	22	633,093	668,931
Returns on investments and servicing of finance	23	7,768	-
Capital expenditure and financial investment	23	(336,333)	(262,594)
Cash transferred on conversion to an academy trust		-	817,604
INCREASE IN CASH IN THE YEAR		304,528	1,223,941

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014**

	2014 £	2013 £
Increase in cash in the year	304,528	1,223,941
MOVEMENT IN NET FUNDS IN THE YEAR	304,528	1,223,941
Net funds at 1 September 2013	1,223,941	-
NET FUNDS AT 31 AUGUST 2014	1,528,469	1,223,941

The notes on pages 23 to 43 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

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

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

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

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

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

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

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

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 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £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. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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

L/Term Leasehold Land	-	125 years straight line
L/Term Leasehold Property	-	50 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>As restated Total funds 2013 £</i>
Exceptional item - net assets on conversion	-	-	-	29,669,036
Donations	-	22,055	22,055	31,252
Voluntary income	-	22,055	22,055	29,700,288

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Trip income	-	165,630	165,630	104,794
Other income	33,797	94,888	128,685	25,460
Lettings income	24,550	-	24,550	10,933
	<u>58,347</u>	<u>260,518</u>	<u>318,865</u>	<u>141,187</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Interest receivable	<u>7,769</u>	<u>-</u>	<u>7,769</u>	<u>-</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA revenue grants				
General Annual Grant	-	5,618,394	5,618,394	3,681,812
Start Up Grants	-	-	-	25,000
Other DfE/EFA Grants	-	534,623	534,623	393,648
Capital Grants	-	142,895	142,895	9,659
	-	6,295,912	6,295,912	4,110,119

6. COSTS OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Trips	-	159,626	159,626	83,616
Lettings	16,555	-	16,555	7,740
	16,555	159,626	176,181	91,356

7. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Governance Auditors' remuneration	-	7,500	7,500	7,500
Governance Auditors' non audit costs	-	11,884	11,884	2,750
Governance - Trustees expenses and training	-	1,417	1,417	178
	-	20,801	20,801	10,428

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

8. DIRECT COSTS

	Activities £	Total 2014 £	Total 2013 as restated £
Educational supplies	639,108	639,108	282,307
Staff development	120,131	120,131	26,038
Wages and salaries	3,409,760	3,409,760	1,998,601
National insurance	260,338	260,338	146,774
Pension cost	467,675	467,675	258,235
Depreciation	498,405	498,405	268,675
	<u>5,395,417</u>	<u>5,395,417</u>	<u>2,980,630</u>

9. SUPPORT COSTS

	Activities £	Total 2014 £	Total 2013 as restated £
Pension income	5,000	5,000	7,000
Legal and professional	18,558	18,558	53,599
Maintenance of premises and equipment	220,662	220,662	169,745
Cleaning	101,609	101,609	64,638
Rent and rates	59,176	59,176	45,522
Insurance	44,185	44,185	27,310
Transport and security	91,654	91,654	19,204
Other support costs	275,546	275,546	139,897
Wages and salaries	420,512	420,512	351,020
National insurance	24,003	24,003	19,620
Pension cost	63,550	63,550	68,629
Depreciation	26,232	26,232	14,141
	<u>1,350,687</u>	<u>1,350,687</u>	<u>980,325</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

10. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	Total
	2014	Premises	Other costs	2014	as restated
	£	2014	2014	£	2013
		£	£		£
Costs of activities for generating funds	-	-	176,181	176,181	91,356
Costs of generating funds	-	-	176,181	176,181	91,356
Direct costs	4,137,771	498,405	759,241	5,395,417	2,980,630
Support costs	508,067	129,593	713,027	1,350,687	980,325
Charitable activities	4,645,838	627,998	1,472,268	6,746,104	3,960,955
Governance	-	-	20,801	20,801	10,428
	4,645,838	627,998	1,669,250	6,943,086	4,062,739

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014	2013
	£	as restated
		£
Depreciation of tangible fixed assets:		
- charge for the year	524,637	282,816
Operating lease rentals:		
- plant and machinery	27,308	27,308

12. AUDITORS' REMUNERATION

	2014	2013
	£	£
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	7,500	7,500
Fees payable to the academy's auditor and its associates in respect of:		
All other non-audit services not included above	2,750	2,750

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

13. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	3,830,272	2,349,621
Social security costs	284,341	166,394
Other pension costs (Note 26)	531,225	326,864
	<u>4,645,838</u>	<u>2,842,879</u>

b. Staff severance payments

During the year £47,139 was paid to an individual for compensation on loss of office under a settlement agreement. In addition £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:

	2014 No.	2013 No.
Teachers	71	68
Administration and support	37	39
Management	8	8
	<u>116</u>	<u>115</u>

d. Higher paid staff

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

	2014 No.	2013 No.
In the band £60,001 - £70,000	2	1
In the band £90,001 - £100,000	2	0
	<u>4</u>	<u>1</u>

The above employee participated in the Teachers Pension Scheme. During the year ended 31 August 2014, pension contributions for this member of staff amounted to £44,708 (2013: £8,950).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

14. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2014 £	2013 £
Mr A S Billings	110,000-115,000	60,000-65,000
Mrs A Heaton	25,000-30,000	15,000-20,000

During the year ended 31 August 2014, no expenses (2013 - £3) were reimbursed to any Trustee (2013 - 1).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £250,000 on any one claim and the cost for the year ended 31 August 2014 was £876 (2013 - £1,288). The cost of this insurance is included in the total insurance cost.

16. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Fixtures and fittings £	Computer equipment £	Assets under construction £
Cost				
At 1 September 2013 as restated	29,133,000	90,876	272,693	14,457
Additions	83,885	174,135	100,517	120,691
At 31 August 2014	<u>29,216,885</u>	<u>265,011</u>	<u>373,210</u>	<u>135,148</u>
Depreciation				
At 1 September 2013 as restated	227,592	11,980	43,243	-
Charge for the year	342,159	57,278	125,200	-
At 31 August 2014	<u>569,751</u>	<u>69,258</u>	<u>168,443</u>	<u>-</u>
Net book value				
At 31 August 2014	<u>28,647,134</u>	<u>195,753</u>	<u>204,767</u>	<u>135,148</u>
At 31 August 2013 as restated	<u>28,905,408</u>	<u>78,896</u>	<u>229,450</u>	<u>14,457</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

18. CREDITORS:
Amounts falling due within one year

	2014 £	2013 £
Trade creditors	48,917	96,744
Other taxation and social security	72,123	77,854
Other creditors	72,873	67,090
Accruals and deferred income	942,589	219,679
	<u>1,136,502</u>	<u>461,367</u>

	£
Deferred income	
Deferred income at 1 September 2013	163,772
Resources deferred during the year	539,042
Amounts released from previous years	<u>(163,772)</u>
Deferred income at 31 August 2014	<u>539,042</u>

19. PRIOR YEAR ADJUSTMENT

The trustees have reconsidered the long term lease for the land and buildings occupied and they believe that it meets the characteristics of an asset and have capitalised the assets accordingly in the prior year, as the assets should have been recognised on conversion to an Academy. This adjustment has increased the assets in the balance sheet by £29,133,000 and increased restricted fixed asset funds by £29,133,000. A depreciation charge of £227,592 has also been adjusted to reflect an 8 month charge.

In addition, a notional market rent calculated previously of £230,000 and a corresponding notional donation under voluntary income has been reversed.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

16. TANGIBLE FIXED ASSETS (continued)

	Total £
Cost	
At 1 September 2013 as restated	29,511,026
Additions	479,228
At 31 August 2014	<u>29,990,254</u>
Depreciation	
At 1 September 2013 as restated	282,815
Charge for the year	524,637
At 31 August 2014	<u>807,452</u>
Net book value	
At 31 August 2014	<u>29,182,802</u>
<i>At 31 August 2013 as restated</i>	<u>29,228,211</u>

17. DEBTORS

	2014 £	2013 £
Trade debtors	49,086	3,438
Other debtors	145,766	101,738
Prepayments and accrued income	221,749	184,894
	<u>416,601</u>	<u>290,070</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. STATEMENT OF FUNDS

	Brought Forward as restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	840,245	66,116	(16,555)	(336,333)	-	553,473
Restricted funds						
General Annual Grant (GAG)	173,601	5,618,393	(5,536,899)	-	-	255,095
SEN Funding	-	122,923	(122,923)	-	-	-
Other DfE/EFA Grants	-	411,700	(411,700)	-	-	-
Other income	38,798	282,574	(321,372)	-	-	-
Pension reserve	(415,000)	-	(9,000)	-	(502,000)	(926,000)
	(202,601)	6,435,590	(6,401,894)	-	(502,000)	(670,905)
Restricted fixed asset funds						
Land and buildings	28,919,865	119,151	(342,159)	85,425	-	28,782,282
General fixed asset fund	308,346	23,744	(182,478)	250,908	-	400,520
	29,228,211	142,895	(524,637)	336,333	-	29,182,802
Total restricted funds	29,025,610	6,578,485	(6,926,531)	336,333	(502,000)	28,511,897
Total of funds	29,865,855	6,644,601	(6,943,086)	-	(502,000)	29,065,370

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 Academy 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 Academy.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. STATEMENT OF FUNDS (continued)

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 academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds as restated 2013 £
Tangible fixed assets	-	-	29,182,802	29,182,802	29,228,211
Current assets	553,473	1,391,597	-	1,945,070	1,514,011
Creditors due within one year	-	(1,136,502)	-	(1,136,502)	(461,367)
Provisions for liabilities and charges	-	(926,000)	-	(926,000)	(415,000)
	<u>553,473</u>	<u>(670,905)</u>	<u>29,182,802</u>	<u>29,065,370</u>	<u>29,865,855</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 as restated £
Net incoming resources before revaluations	(298,485)	29,888,855
Returns on investments and servicing of finance	(7,768)	-
Exceptional items - donated on conversion (note 21)	-	(29,669,036)
Depreciation of tangible fixed assets	524,637	282,815
Capital grants from DfE	(142,895)	-
Increase in debtors	(126,529)	(290,070)
Increase in creditors	675,133	461,367
FRS 17 pension cost less contributions payable	4,000	(12,000)
FRS 17 pension finance charge	5,000	7,000
Net cash inflow from operations	<u>633,093</u>	<u>668,931</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

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

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	7,768	-
	<u>7,768</u>	<u>-</u>
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(479,228)	(262,594)
Capital grants from DfE	142,895	-
	<u>(336,333)</u>	<u>(262,594)</u>
Net cash outflow capital expenditure	<u>(336,333)</u>	<u>(262,594)</u>

24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	1,223,941	304,528	-	1,528,469
Net funds	<u>1,223,941</u>	<u>304,528</u>	<u>-</u>	<u>1,528,469</u>

25. CAPITAL COMMITMENTS

At 31 August 2014 the academy had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	930,805	1,064,290

26. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by 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 2014.

Contributions amounting to £68,000 were payable to the scheme at 31 August 2014 (2013 - £65,000) and are included within creditors.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

26. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

Teachers' Pension Scheme Changes

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

26. PENSION COMMITMENTS (continued)

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £176,000, of which employer's contributions totalled £142,000 and employees' contributions totalled £34,000. The agreed contribution rates for future years are 21.6% in 2014/15, 22.6% in 2015/16 and in 2016/17 24.6% for employers and depending on salary, 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

26. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.30	636,000	6.60	788,000
Bonds	2.90	122,000	3.50	137,000
Property	4.50	61,000	4.70	63,000
Cash	3.30	52,000	3.60	63,000
Total market value of assets		<u>871,000</u>		<u>1,051,000</u>
Present value of scheme liabilities		<u>(1,797,000)</u>		<u>(1,466,000)</u>
(Deficit)/surplus in the scheme		<u><u>(926,000)</u></u>		<u><u>(415,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(1,797,000)	(1,466,000)
Fair value of scheme assets	<u>871,000</u>	<u>1,051,000</u>
Net liability	<u><u>(926,000)</u></u>	<u><u>(415,000)</u></u>

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

	2014 £	2013 £
Current service cost	(146,000)	(82,000)
Interest on obligation	(72,000)	(38,000)
Expected return on scheme assets	<u>67,000</u>	<u>31,000</u>
Total	<u><u>(151,000)</u></u>	<u><u>(89,000)</u></u>
Actual return on scheme assets	<u><u>146,000</u></u>	<u><u>97,000</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

26. PENSION COMMITMENTS (continued)

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

	2014 £	2013 £
Opening defined benefit obligation	1,466,000	1,235,000
Current service cost	146,000	82,000
Interest cost	72,000	38,000
Contributions by scheme participants	34,000	22,000
Actuarial Losses	82,000	89,000
Benefits paid	(3,000)	-
	<u>1,797,000</u>	<u>1,466,000</u>
Closing defined benefit obligation	<u>1,797,000</u>	<u>1,466,000</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	1,051,000	838,000
Expected return on assets	67,000	31,000
Actuarial gains and (losses)	(420,000)	66,000
Contributions by employer	142,000	94,000
Contributions by employees	34,000	22,000
Benefits paid	(3,000)	-
	<u>871,000</u>	<u>1,051,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(525,000) (2013 - £(23,000)).

The academy expects to contribute £118,000 to its Defined benefit pension scheme in 2015.

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.60 %	5.90 %
Rate of increase in salaries	3.40 %	5.10 %
Rate of increase for pensions in payment / inflation	2.60 %	2.80 %

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

26. PENSION COMMITMENTS (continued)

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

	2014	2013
Retiring today		
Males	22.3	22.9
Females	24.4	25.7
Retiring in 20 years		
Males	24.1	24.9
Females	26.7	27.7

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

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

27. OPERATING LEASE COMMITMENTS

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

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	17,068	27,308

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

28. RELATED PARTY TRANSACTIONS

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

During the year caretaking services were provided by Mr C Billings, the son of Mr A Billings who is the principal of the academy trust. These amounted to £nil (2013: £78) and at the year end the amount owing to Mr C Billings was £nil (2013: £78).

During the year caretaking services were provided by Mr N Billings, the son of Mr A Billings who is the principal of the academy trust. These amounted to £780 (2013: £nil) and at the year end the amount owing to Mr N Billings was £nil (2013: nil).

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.