

**HOLY FAMILY CATHOLIC ACADEMY TRUST
(A Company Limited by Guarantee)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2018

***Company Limited by Guarantee
Registration Number: 08155184
(England & Wales)***

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS

Members	Bishop Patrick McKinney Rev Chris Thomas Rev John Guest
Trustees	Mrs Sherri Medcalf, Chair (appointed 13 October 2017) Cannon Alan Burbridge Mr Kevin Gritton, Head Teacher Mrs Rachel Snowdon-Poole, Head Teacher (appointed 26 October 2016)
Company secretary	Mr A Muldoon
Senior management team	Rachel Snowdon-Poole Head - St George's Catholic Voluntary Academy Kevin Gritton Head - Saint Benedict Catholic Voluntary Academy Andrew Muldoon Director of Finance and Business - Saint Benedict Catholic Voluntary Academy Bushra Akhtar Business Manager - St George's Catholic Voluntary Academy
Director of Finance and Business	Andrew Muldoon
Principal Academy	Holy Family Catholic Academy Trust Duffield Road Derby Derbyshire DE22 1JD
Academy Addresses	Saint Benedict Catholic Voluntary Academy Duffield Road Derby Derbyshire DE22 1JD St George's Catholic Voluntary Academy Uplands Avenue Derby Derbyshire DE23 1GG
Registered Office	Duffield Road Derby Derbyshire DE22 1JD
Company registered number	08155184

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS

Independent Auditor UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

Bankers Yorkshire Bank
28 St Peter's Street
Derby
DE1 1SL

Solicitors Flint Bishop LLP
St Michael's Court
St Michael's Lane
Derby
DE1 3HQ

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their annual report together with the financial statements and auditor's report of Holy Family Catholic Academy Trust (the Academy Trust) for the year ended 31 August 2018. The annual report serves the purposes of both a trustees' reports and a director' report under company law.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Constitution**

The charitable company's Memorandum and Articles of Association are the primary governing document of the Academy Trust.

The trustees of Holy Family Catholic Academy Trust are also the directors of the charitable company for the purpose of company law.

The principal objective of the Academy is the operation of The Holy Family Catholic Academy Trust to provide education for pupils of different abilities between the ages of 4 and 18 providing a broad and balanced curriculum.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

Details of the trustees who served during the year are included in the Reference and administrative details on page 3.

Members' liability

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

Trustees' indemnities

The Trustees have taken out Trustees' Liability Insurance with Bell & Co MLP 6836620.

Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Each academy has in place a local governing body.

Saint Benedict Catholic Voluntary Academy

The management of the Academy Trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

Any trustee elections will be held as soon as practicable after the occurrence of a vacancy. The objective will always be to ensure that the governing body's business is conducted with as many trusteeships as possible filled and as many trustees as possible on the governing body. Any vacancies will be advertised on the academy website and newsletter.

We have delegated to the Head teacher the overall responsibility for organising the election. The Chair or Vice Chair of Trustees will undertake the role of returning officer. At any one time the structure of the governing body must be:

- a) 7 foundation Trustees appointed by the Bishop of Nottingham
- b) 2 Staff Trustees, appointed under Articles 58A to 58C
- c) 2 Parent Trustees, appointed under Articles 53 58
- d) The Headteacher; and
- e) Any additional Trustees, if appointed under Article 62, 62A or 68A. (1 co-opted trustee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**St George's Catholic Voluntary Academy**

The management of the Academy Trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

Any trustee elections will be held as soon as practicable after the occurrence of a vacancy. The objective will always be to ensure that the governing body's business is conducted with as many trusteeships as possible filled and as many trustees as possible on the governing body. Any vacancies will be advertised on the academy website and newsletter.

We have delegated to the Head teacher the overall responsibility for organising the election. The Chair of Trustees will undertake the role of returning officer. At any one time the structure of the governing body must be:

- a) 4 foundation Trustees appointed by the Bishop of Nottingham
- b) 2 Staff Trustees, appointed under Articles 58A to 58C
- c) 2 Parent Trustees, appointed under Articles 53 58
- d) The Headteacher; and
- e) Any additional Trustees, if appointed under Article 62, 62A or 68A.

Policies and procedures adopted for the induction and training of Directors and Governors**Saint Benedict Catholic Voluntary Academy**

New trustees are invited to meet the Headteacher and the Chair of Trustees before their first meeting. In addition they are sent a pack of documentation which provides guidance on the trustees role.

At their first meeting, the trustees subcommittee meeting is explained and they are invited to attend such meetings. New Trustees attend a range of meetings before being allocated to a particular committee.

St George's Catholic Voluntary Academy

New trustees will:

- be sent a letter from the chair of trustees welcoming them to the board
- be invited to meet the Headteacher and the Chair of Trustees before their first meeting
- be invited into the school to view the school and meet staff
- be sent a pack of documentation which provides guidance on the trustees role
- attend a range of meetings before being allocated to a particular committee
- be allocated a mentor
- meet with their mentor periodically

Organisational structure**Saint Benedict Catholic Voluntary Academy**

The Governing Body has delegated areas of its work, and in three cases decision making responsibilities, to a number of committees. All of these committees:

- Meet twice a term, elect a Chair and Vice Chair at the first meeting of the year, and have a quorum of 2 members
- Receive reports from the Headteacher once a term which contain key issues for the attention of the committee
- Perform a largely strategic role [setting aims and objectives, agreeing policies, targets and priorities, and monitoring and reviewing aims, objectives and progress), act as a 'critical friend', delegate responsibilities to the Headteacher as appropriate, and make necessary decisions/recommendations.
- Work within the bounds of Policies and Practices, Diocesan requirements, Local Authority and Derby City Council Regulations, and Statutory Instruments

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

The following committees are currently in place:

- 1 Planning Committee: this committee deals with all aspects of planning for the Academy and receives regular reports from the Principal. It plans the curriculum direction, estate and building needs, and the budget. It receives reports on the current budget as a standing item on the agenda with particular reference to planning the budget for the following year. It responds to Ofsted and section 48 Inspections by considering the school's action plans. It considers new and amended policies.
- 2 Monitoring Committee: this committee carries out a monitoring role. In particular it monitors the budget and standards, both of these being standing items on the agenda. It receives regular reports from the Principal.
- 3 Strategic Committee: the committee sets longer term strategic objectives and works closely with the Headteacher in order to ensure the academy mission, ethos and values reflect the current views of all stakeholder groups. This Committee also examine the effectiveness of the governing body.
- 4 Admissions Committee: all trustees are eligible to be on this committee and it usually convenes after a Planning or Monitoring committee meeting.
- 5 Discipline: All trustees are eligible to sit on this committee, which is normally made up of three mixed gender members.
- 6 Pay Committee: this committee is made up of three members and considers the recommendations of the Principal on pay for all staff; and the recommendation of the Principal' performance review committee.
- 7 Head's Performance Review Committee: this committee considers the Head's performance targets with the advice of an external adviser.

The terms of reference of each committee must be approved by the full governing body and reviewed each year. They provide the sole agreed framework within which each committee operates.

St George's Catholic Voluntary Academy

The Full Governing Body has delegated areas of its work, and in three cases decision making responsibilities, to three committees. All of these committees:

- Meet once a term, elect a Chair at the first meeting of the year, and have a quorum of 4 members.
- Perform a largely strategic role [setting aims and objectives, agreeing policies, targets and priorities, and monitoring and reviewing aims, objectives and progress], act as a 'critical friend', delegate responsibilities to the Principal as appropriate, and make necessary decisions/recommendations.
- Work within the bounds of Policies and Practices, Local Authority and Derby City Council Regulations, and Statutory Instruments

The following committees are currently in place:

- 1 Pupils and Personnel: Chair - Richard Penna. All personnel matters including establishment, draft budget, appointments (except Principal and Vice Principal), development, leave of absence, pay policy, performance management, early retirements, disciplinary action, dismissal [first committee - Full Governors provide second or appeals committee] overseeing freedom of information requests. Decisions are reported twice a term. Improvement and Security of buildings and grounds, making related contractual arrangements, health and safety, Insurance, All financial matters including preparation of draft budget, approving virements and transfers, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure, considering audit reports.
- 2 Pupils, Curriculum and Standards: Chair - Karan O'Connor. All matters relating to pupils including attendance, behaviour, safeguarding etc. Monitoring of Standards across the school, overview of the whole school curriculum
- 3 Discipline: Pupil Exclusions. Reports as appropriate.
- 4 Heads Performance Management: this committee considers the Head's performance targets with advice from an external advisor.
- 5 Admissions Committee: All trustees are eligible to be on this committee. It usually convenes after a Finance & Premises or Pupils and Personnel meeting.

The terms of reference of each committee must be approved by the full governing body and reviewed each year. They provide the sole agreed framework within which each committee operates.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Arrangements for setting pay and remuneration of key management personnel****Headteachers**

Each Local Governing Body oversees the performance appraisal of its Headteacher supported by an external adviser appointed by the L.A. A review of Headteacher performance against objectives is carried out annually during the Autumn Term and pay recommendations are then put to the Pay Committee for moderation and ratification. Headteacher pay awards are made within the relevant ISR set for the Headteacher on appointment and the criteria are the performance measures set in advance by the Local Governing body supported by the external advisor.

Objectives are set according to the priorities set out in the relevant Academy Improvement Plan.

Other key management personnel

The Finance Director and Company Secretary pay and remuneration will be reviewed by the Pay Committee on the recommendation of the Headteachers.

The Academy Trust has a Pay Policy in place and has adopted the Catholic Education Service policies on Teacher and Staff Appraisal.

Related Parties and other Connected Charities and OrganisationsSaint Benedict catholic Voluntary Academy

The Academy is a member of the Derby Teaching School Alliance. The main role is to provide support. The Academy also works in close partnership with Derby City Council and other schools which form part of the Derby Education Improvement Partnership.

St George's Catholic Voluntary Academy

The Academy works in partnership with Derby City Council. The Academy is a member of the Derby Teaching School Alliance and the Local Catholic Cluster of schools. As members of this alliance, we work with other schools in the area to develop and share good practice. We are able to offer opportunities to colleagues - so, for example, school to school support has recently been supplied in our capacity as an outstanding school, for Religious Education to: St. Thomas Catholic Primary School at Ilkeston in Derby and St Albans Catholic Primary School in Derby.

Risk management

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those related to the operations and finances of the Academy Trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objects and aimsSaint Benedict Catholic Voluntary Academy

The Trust aims to support Catholic Education across primary and secondary education and be there for the poor. We set out to enable every person to 'be the best they can be' and in doing so, build up a loving community with Christ at its centre; develop potential to the full and strive for excellence; work and play in harmony; and treat each other with dignity and justice.

OBJECTIVES AND ACTIVITIES**Objectives, strategies and activities**

The main objectives of the Academy during the year ended 31 August 2018 are summarised below:

- Ensure every young person is able to make as much progress in their learning and development as possible
- Ensure all pupils are healthy, stay safe and achieve to the best of their ability so that they make a positive contribution to the academy community
- Develop the quality of teaching and learning

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Objectives, strategies and activities (cont'd)**

- Promote the Catholic ethos by departments and Houses encouraging their pupils to live their lives based on Christian principles, establish positive relationships, value diversity and are supportive and respectful of others
- Develop a curriculum that is engaging, flexible and meets the needs of our students, allowing them to achieve their potential
- Continue to develop the facility for sight impaired and severely physically impaired pupils, supporting them and allowing maximum access to the mainstream curriculum.
- Exploiting the benefits of our high achieving specialist school status to create a distinctive character for the Academy in order to further raise individual levels of achievement and standards of performance;
- Working in close partnership with parents, outside agencies, business, civic and voluntary bodies in order to motivate students, broaden their experience, develop enterprise and help them to see the relevance of education to their future prospects in life;
- Working with schools and colleges in the Derby Teaching Schools Alliance and the Diocese of
- Providing an attractive and stimulating working environment with regard to buildings, facilities, equipment and furniture; and
- Make teaching and learning more productive and efficient by harnessing modern technology.

Objects and aimsSt George's Catholic Voluntary Academy

Saint George's Catholic Voluntary Academy strives to be a community of children, staff, parents and parish working together to enable all to achieve their full potential in faith and life. We believe that a spirit of openness and partnership will help to meet the needs, and further the aspirations, of our pupils and the wider community.

Our Mission Statement is "Grow in Faith Have Faith in Growing".

A set of shared values underpins the positive working atmosphere and success of our Academy. These are encapsulated within our shared 'Gospel Values', which are as follows:

- Trust
- Respect
- Faith
- Forgiveness
- Aspiration
- Determination
- Curiosity

We also have a learning code underpinning our curriculum, which is communicated to all members of our learning community using the 'DRAGON' acronym:

- Doesn't give up
- Remembers and reflects
- Asks good questions
- Goes for gold
- Original ideas
- Not alone

The main objectives of the Academy during the year ended 31 August 2018 are summarised below:

- Develop outstanding teaching, learning and assessment.
- At KS2, ensure that all Higher and Middle attaining children at least meet expected Standard at KS1 and KS2 in Reading, Writing, Maths and EGPS with at least 45% making more than expected progress.
- At KS1, ensure that Low Prior attaining pupils excel and catch up with age appropriate standards, especially in Writing and Maths.
- Improve the support offered to pupils in receipt of the Pupil Premium so that a greater proportion make and exceed expected progress in Reading, Writing, Maths and EGPS.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Objectives, strategies and activities (cont'd)**

- Raise the quality of teaching & learning so that it is never less than good, with much that is 'Outstanding'. Ensure outstanding outcomes for all groups of learners.
- Be constantly mindful of our Safeguarding duties, through rigorous monitoring and decisive action. Develop outstanding Leadership and Management through building the capacity of our new Senior Leadership Team.
- Increase the quality of our curriculum offer through the use of Specialist teachers in ICT, PE, Music and Art/DT.
- Build on and promote the Academy's Catholic ethos through increased community and parental engagement.
- Develop outstanding practice in the teaching of RE and share outstanding practice in Collective Worship with the whole community.

Public benefit

In setting our objectives and planning our activities the Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Saint Benedict Catholic Voluntary Academy

The Academy looks to promote for the benefit of the inhabitants of Derby City and the surrounding towns and villages: the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

St George's Catholic Voluntary Academy

The Academy looks to promote for the benefit of the inhabitants of the Parishes of Saint George's and all Soldier Saints in Normanton and The Holy Spirit Parish in Sinfin and the surrounding area: the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Disabled Employees

The Trust's policy in respect of disabled persons is that their applications for employment are always fully and fairly considered bearing in mind the aptitudes and abilities of the applicant concerned and the requirements of the vacant post. In the event of a member of staff becoming disabled, the Trust will endeavour to ensure that employment with the Academy continues and where necessary, appropriate training is arranged. It is the Academies policy that training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees in a similar position. The Trust operates an Enhanced Resource Base which supports students and employees with VI.

STRATEGIC REPORT**Achievements and Performance****Cost reduction Plan**

The Trust had a very successful academic year, with St. Benedict changing from an Ofsted rating of special measures to Ofsted rating of Good. The academy one off associated costs with improving the standards and within the academy have now been achieved. The large late charges for student exclusions and alternative provisions from previous years have been recognised in the 2017/18 year. The local authority have altered the way the invoice for his and the academy now have a number of free of charge places at the alternative provision providers. The academy have purchase equipment during the year to enable an engineering course from the academy this one off expenditure has enable the retention of students who may have chosen to go to the UTC once entering KS4 this will have a positive impact on the funding in future years with more students on role in year 10 and year 11.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

Cost reduction Plan (cont'd)

The Curriculum review highlighted areas where staffing could be reduced the New Trust will complete a further curriculum review to provide consistency across the academies.

The HFCAT will join the St Ralph Sherwin CMAT on the 1 September 2018 this has led to the reduction of administration staff at each of the academies. Costs which would have been locally previously are now costs of the trust. There is a centralised finance and HR team which are working to reduce staffing at academies to 75% in line with the budget setting strategy. These teams will be working to bring efficiency savings to academies and using the collective purchasing power of 25 academies.

Saint Benedict Catholic Voluntary Academy



St Ralph Sherwin
Catholic Multi Academy Trust

Ofsted: 2 (16.05.18)
2018 Y11 cohort: 218
% Dis: 29%
% SEN: 16%
% EAL: 30%
Prior Attainment
HPA: 38%
MPA: 47%
LPA: 16%

	Provisional		2016	2017	FFT50 2018	2018
	2018 Derbys.	2018 National				
Progress						
Progress 8	-0.23	-0.02	-0.07	-0.09		0.27
P8 score: English element	-0.23	-0.04	-0.14	-0.01		0.2
P8 score: Maths element	-0.15	-0.02	-0.02	-0.14		0.15
P8 score: Ebacc element	-0.22	-0.03	0.00	-0.06		0.2
P8 score: Open element	-0.32	-0.04	-0.12	-0.15		0.45
Progress of groups						
Progress 8: Low PA		-0.17	0.25	0.17		0.73
Progress 8: Mid PA		-0.01	-0.25	-0.17		0.24
Progress 8: High PA		0.01	0.06	-0.08		0.12
Progress of Disadvantaged						
Progress 8: Disadvantaged		0.13	-0.44	-0.27		0.00
P8 score: English element		0.11	-0.31	-0.3		0.07
P8 score: Maths element		0.12	-0.36	-0.29		-0.11
P8 score: Ebacc element		0.14	-0.54	-0.29		-0.09
P8 score: Open element		0.12	-0.49	-0.21		0.12
Progress of Disadvantaged groups						
Progress 8: Low PA		0.04	0.01	0.17		-0.05
Progress 8: Mid PA		0.17	-0.67	-0.35		0.10
Progress 8: High PA		0.12	-0.44	-0.45		-0.18
Attainment						
Attainment 8	45.4	46.4	47.3	44.1	45	47.85
English A8	9.7	9.9	10	9.7	9.8	10.15
Maths A8	9.0	9.0	9.2	8.4	8.6	8.89
Ebacc A8	13.1	13.4	13	12	12.6	13.54
Open Element A8	13.6	14.1	15.1	14.1	14.7	15.27
Basics Measure						
% En & Ma 4+	64	63.9	55	65	60	65
% En & Ma 5+	42.6	43		33	37	37
RE						
% achieving 4+ in RE	66	72	50	53	63	76
% achieving 5+ in RE	54	60			49	62
% achieving 7+ in RE	24	30	17	16	21	30
RE APS			3.7	3.9	4.5	5.1
Ebacc						
% of pupils entering	33.9	38.4	18	11		10
% achieving Grade 5+		17		6		5
Ebacc APS	3.92	4.03				3.91

26/11/2018

Sig+ and sig- data is show by a red or green box around the figure.
2018 National data is provisional data for State-funded schools

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

St George's Catholic Voluntary Academy**Reading**

SEN	In Year Progress % making expected progress
Year Group	37.5%-42% RI 42.1-47.5% Good 47.6%+ Outstanding
1	
2	33%
3	67%
4	100%
5	67%
6	100%

Writing

SEN	In Year Progress % making expected progress
Year Group	37.5%-42% RI 42.1-47.5% Good 47.6%+ Outstanding
1	
2	0%
3	22%
4	50%
5	67%
6	83%

Maths

SEN	In Year Progress % making expected progress
Year Group	37.5%-42% RI 42.1-47.5% Good 47.6%+ Outstanding
1	
2	50%
3	57%
4	13%
5	67%
6	50%

Key Financial Performance Indicators

The trust established a financial budget at the start of the year and then monitored performance against budget during the period. Further financial and non-financial indicators will be introduced as the trust develops. It is anticipated that benchmarking will be a key tool in ensuring the academy is delivering value for money.

Saint Benedict Catholic Voluntary Academy

	2018	2017
Pupil numbers	1,325	1,342
Staff costs as a % of total revenue grant income	92%	91%
Staff costs as a % of total costs	84%	81%
Capital expenditure per pupil	£33	£58

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Key Financial Performance Indicators (cont'd)**

St George's Catholic Voluntary Academy	2018	2017
Pupil numbers	343	345
Staff costs as a % of total revenue grant income	92%	84%
Staff costs as a % of total costs	79%	70%
Capital expenditure per pupil	£199	£41

Going concern

Following the transfer of the academy to St Ralph Sherwin Catholic Academy Trust from 1 September 2018, the primary source of funding from the ESFA for the company will cease. For this reason the Academy Trust is preparing the financial statements on a winding up basis and measuring assets and liabilities at their recoverable amounts. No material adjustments are required as a result of ceasing to apply the going concern basis. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

The Trust is funded by the Education and Skills Funding Agency ("ESFA") using the Derby City Local Authority Funding formula. In addition the Trust receives funding from Derby City to fund the Enhanced resource base.

The results for the year show a deficit of £1,029,000 (2017:£1,234,000) before actuarial gains. Total incoming resources is £8,994,000 (2017:£9,158,000) which includes £8,866,000 (2017:£8,989,000) relating to funding from the ESFA, local authority and other government sources. Expenditure for the year is £10,023,000 (2017:£10,392,000) with the majority £8,236,000 (2017:£8,733,000) relating to staff costs.

The local government pension scheme deficit is £5,778,000 (2017:£6,176,000).

Reserves policy

The purpose of the reserve policy for Holy Family Catholic Academy Trust is to ensure the stability of the Trust's organisational operations, to protect it so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital.

Restricted Reserves

Restricted reserves are represented by the main income for the Academy Trust which is General Annual Grant (GAG) together with other grant contributions or donations that are received for a specific project or purpose. These funds are restricted for the use according to the funding agreements or donors' instructions.

There is no limit on the percentage carry forward of GAG restricted funds at the year end. It is envisaged that these funds will be used in future years mainly for capital. Each academy will operate a balanced budget however in exceptional circumstances a small percentage of GAG restricted funds carried forward will be used for operational purposes.

The Academy Trust will determine the level of restricted reserves taking into account the forecast income and expenditure streams and the need to match income with commitments and the nature of reserves. Reference will be made to the Academy Trust improvement Plan in determining likely future calls on reserves.

It is considered prudent to set a minimum reserve equal to 30 days operating expenditure in order to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. At 31 August 2018, the level of restricted reserves (excluding fixed assets and pension) was £402,000 (2017: £85,000).

At 31 August 2018, the level of restricted fixed asset fund was £292,000 (2017: £266,000).

At 31 August 2018, the pension reserve was £5,778,000 (2017: £6,176,000).

All reserves are reported and reviewed regularly, and expenditure from reserves approved by the Trustees.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)Unrestricted Reserves

Unrestricted reserves are made up of the Academy Trust's activities for generating funds, investment income and other donations which are expendable at the discretion of the Trustees in furtherance of the objectives of the Academy Trust.

The Academy Trust is confident that it will meet the required pension contributions from its projected income without significantly impacting on its planned level of charitable activity. It continues to calculate its 'free' or general unrestricted reserves without setting aside designated reserves to cover the pension liability. Unrestricted reserves will be reviewed regularly by the Trust.

Unrestricted reserves at 31 August 2018 was £79,000 (2017: £122,000).

USE OF RESERVES

- 1 **Identification of appropriate use of reserve funds.** The Trustees, advised by the Audit Committee and Executive Committee will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserve as described in this policy and in line with the Academy Trust Strategic Plan. This step requires analysis of the reason for any shortfall, the availability of any other sources of funds before using reserves and evaluation of the time period that the funds will be required and replenished.
- 2 **Authorisation of use of reserves.** Authorisation to use reserves of any kind will be made by the Trustees, at the next available meeting the approval should be noted in the minutes.
- 3 **Reporting and monitoring.** The Trust Trustees are responsible for ensuring that the funds are maintained and used only as described in this policy. Upon approval for the use of these funds, the Academy will maintain a record of the use of the funds. The Finance Director will regularly monitor the progress of the reserves and report to the Audit Committee who will then report to Trustees.

This policy will be reviewed by the Audit Committee every three years or sooner if warranted by internal or external events or changes.

Investment policy

Due to the nature of the funding cycle, Saint Benedict Catholic Voluntary Academy and St George's Catholic Voluntary Academy may at times hold large cash balances which may not be required for immediate use. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Principal risks and uncertaintiesSaint Benedict Catholic Voluntary Academy

The principal risks for the Academy during the next few years are:

- 1 The reduction in students' in the Academy's 'normal area'. The Academy closely monitors applications for places in and models the financial implications of any trends.
- 2 Changes to the funding formula. The Head teacher receives updates from Derby City Schools Forum, which is the group that makes financial decisions in the Local Authority. This informs the Academy Senior Leadership Team of impending changes to the Funding Formula.
- 3 Changes to the funding of high needs pupils has caused the Academy to lose large sums, mostly mitigated by the LA being cooperative and continued the previous agreement.

St George's Catholic Voluntary Academy

- 1 The reduction in students in the Academy's 'normal area'. The Academy closely monitors applications for places in and models the financial implications of any trends.
- 2 Changes to the funding formula. The Head teacher is a member of the school local cluster group which has a representative on the Schools Forum, which is the group that makes financial decisions in the Local Authority. This informs the Academy Senior Leadership Team of impending changes to the Funding Formula.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Financial risk management objectives and policies**

The Trust's exposure to risk is largely bank balances, cash and trade creditors, with limited trade and debtors.

The Trust has inherited the Local Government Defined Benefit Pension Scheme deficit for associate staff of both Saint Benedict Catholic Voluntary Academy and St George's Catholic Voluntary Academy. The deficits are reducing as advised by Hymans Robertson, the pension actuarial experts.

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the academy trust approach to fundraising practices is as follows:

- our approach to fundraising is locally determined with all funds raised
- the academy trust does not have fundraising carried out on its behalf.
- the academy trust has a complaints procedure.
- the academy trust protects the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate by limiting the number of charities being supported.

PLANS FOR THE FUTURE**Future developments**

The trust has agreed to be part of the NRCDES single capital allocation across academies within the Nottingham Diocese. As a result the academies will not need to apply for funding to the CIF but will apply directly to the NRCDES. Saint Benedict will focus their bid on improvements to safeguarding and wellware facilities.

St Georges and Saint Benedict are academies within the diocese of Nottingham. The Nottingham Diocese has agreed that all the schools will become academies under 4 CMATs. The HFCAT will become part of the Saint Ralph Sherwin Catholic Multi Academy trust in September 2018 and the HFCAT will be closed.

Funds held as custodian trustee

There are no funds held as custodian trustee.

Auditor

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company director, on 20 December 2018 and signed on the board's behalf by:

.....
Sherri Medcalf
Chair of Trustees
20 December 2018

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Holy Family 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 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 Holy Family Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Director	Meetings attended	Out of a possible
Mr Alan Burbidge, Vice Chair	4	4
Mrs Sherri Medcalf	4	4
Mrs Rachel Snowdon Poole, Head Teacher	4	4
Kevin Gritton, Head Teacher	4	4

Governance review

An annual self review of governance has been performed as defined by the National College for Teaching and Leadership. The results of this review has identified the following: The Local governing bodies have completed their governance review with recommendations being implemented locally. This has led to changes in the structure of Local Governing body committees.

- the character of the trust is preserved and developed;
- the activities of the trust are being undertaken in accordance with the academy trust deed;
- there is clarity of vision, ethos and strategic direction;
- the headteacher of each academy is held to account for the education of performance of the academy and its pupils;
- the financial performance of the academy is monitored and value for money obtained;
- governance by the Board of Trustees is effective.

The Academy Trust intends to carry out its next self evaluation during in March of 2018/19 academic year, or earlier if a significant change occurs.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

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.

At Saint Benedict Catholic Voluntary Academy and Saint Georges Catholic Voluntary Academy we are responsible and accountable for ensuring that the Holy Family Academy Trust delivers good value in the use of public resources. We are aware of the guide to academy value for money refers to the educational and wider societal outcomes achieved in return for taxpayer resources received.

We set out below how we have ensured that the academy trust's use of its resources have provided good value for money during the academic year.

1 Improving educational results:

Saint Benedict CVA
KS4



St Ralph Sherwin
Catholic Multi Academy Trust

Ofsted: 2 (16.05.18)
2018 Y11 cohort: 218
% Dis: 29%
% SEN: 16%
% EAL: 30%
Prior Attainment
HPA: 38%
MPA: 47%
LPA: 16%

	Provisional		2016	2017	FFT50 2018	2018
	2018 Derbys.	2018 National				
Progress						
Progress 8	-0.23	-0.02	-0.07	-0.09		0.27
P8 score: English element	-0.23	-0.04	-0.14	-0.01		0.2
P8 score: Maths element	-0.15	-0.02	-0.02	-0.14		0.15
P8 score: Ebacc element	-0.22	-0.03	0.00	-0.06		0.2
P8 score: Open element	-0.32	-0.04	-0.12	-0.15		0.45
Progress of groups						
Progress 8: Low PA		-0.17	0.25	0.17		0.73
Progress 8: Mid PA		-0.01	-0.25	-0.17		0.24
Progress 8: High PA		0.01	0.06	-0.08		0.12
Progress of Disadvantaged						
Progress 8: Disadvantaged		0.13	-0.44	-0.27		0.00
P8 score: English element		0.11	-0.31	-0.3		0.07
P8 score: Maths element		0.12	-0.36	-0.29		-0.11
P8 score: Ebacc element		0.14	-0.54	-0.29		-0.09
P8 score: Open element		0.12	-0.49	-0.21		0.12
Progress of Disadvantaged groups						
Progress 8: Low PA		0.04	0.01	0.17		-0.05
Progress 8: Mid PA		0.17	-0.67	-0.35		0.10
Progress 8: High PA		0.12	-0.44	-0.45		-0.18
Attainment						
Attainment 8	45.4	46.4	47.3	44.1	45	47.85
English A8	9.7	9.9	10	9.7	9.8	10.15
Maths A8	9.0	9.0	9.2	8.4	8.6	8.89
Ebacc A8	13.1	13.4	13	12	12.6	13.54
Open Element A8	13.6	14.1	15.1	14.1	14.7	15.27
Basics Measure						
% En & Ma 4+	64	63.9	55	65	60	65
% En & Ma 5+	42.6	43		33	37	37
RE						
% achieving 4+ in RE	66	72	50	53	63	76
% achieving 5+ in RE	54	60			49	62
% achieving 7+ in RE	24	30	17	16	21	30
RE APS			3.7	3.9	4.5	5.1
Ebacc						
% of pupils entering	33.9	38.4	18	11		10
% achieving Grade 5+		17		6		5
Ebacc APS	3.92	4.03				3.91

26/11/2018

Sig+ and sig- data is show by a red or green box around the figure.
2018 National data is provisional data for State-funded schools

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

Saint Georges Catholic Primary Voluntary Academy:

Reading

SEN	In Year Progress % making expected progress
Year Group	37.5%-42% RI 42.1-47.5% Good 47.6%+ Outstanding
1	
2	33%
3	67%
4	100%
5	67%
6	100%

Writing

SEN	In Year Progress % making expected progress
Year Group	37.5%-42% RI 42.1-47.5% Good 47.6%+ Outstanding
1	
2	0%
3	22%
4	50%
5	67%
6	83%

Maths

SEN	In Year Progress % making expected progress
Year Group	37.5%-42% RI 42.1-47.5% Good 47.6%+ Outstanding
1	
2	50%
3	57%
4	13%
5	67%
6	50%

2 Financial governance and oversight

The academy has an internal audit service provided by Central Midlands Audit Partnership. The service reviews the financial systems and procedures that are in place and reports to the Responsible Officers of the respective member academies.

The Head teacher report proforma provides the platform for member academies to raise awareness of the board to anything within the member academies.

The full Governing Body approves the budget each year as proposed by the member local governing bodies. The board is mindful of the need to balance expenditure against income to ensure the Academy Trust remains a 'going concern'. The Governing body also receives and approves the Annual Accounts and the External Auditors Management Report.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**3 Better procurement - ensuring value for money**

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The Academy obtains three quotes where possible. In exceptional circumstances when it is not possible to get three quotes the reason is recorded. The Academy always assesses the cost and benefits of various options before making a decision to ensure the right option for longer term.

4 Maximising Income generation

The Academy explores every opportunity to generate income through hire of the Academy facilities.

5 Reviewing controls and managing risks

Budget monitoring reports are produced and reviewed by the member local governing bodies, the Head teachers and Deputy Head teacher of the member academies and any necessary remedial action taken to address any significant variances that may have an impact on the budget out turn.

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 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 Holy Family Catholic Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2017 to 31 August 2018 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Central Midlands Audit Partnership (CMAP) as internal auditor.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

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

- purchasing;
- payroll;
- financial reporting;
- budget monitoring.

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.

CMAF, SAAF & Smith Cooper have delivered their schedule of work as planned and did not identify any

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Trustees 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 20 December 2018 and signed on their behalf, by:

.....
Sherri Medcalf
Chair of Trustees
20 December 2018

.....
Kevin Gritton
Accounting Officer
20 December 2018

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of Holy Family Catholic Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the multi academy trust board of trustees are able to identify any material irregular or improper use of funds by the multi academy trust, or material non-compliance with the terms and conditions of funding under the multi academy trust's funding agreement and the Academies Financial Handbook 2017.

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 the ESFA.

.....
Kevin Gritton
Accounting Officer
20 December 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2018

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Holy Family Catholic Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Holy Family Catholic Academy Trust 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

The trustees are responsible for ensuring that in its conduct and operation the Holy Family Catholic Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/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 20 December 2018 and signed on its behalf by:

.....
Sherri Medcalf
Chair of Trustees
20 December 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLY FAMILY CATHOLIC ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2018**Opinion**

We have audited the financial statements of Holy Family Catholic Academy Trust (the 'academy trust') for the year ended 31 August 2018 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2018, 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, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the Statement of Accounting Policies on page 30 concerning the charitable company's ability to continue as a going concern. The charitable company is reliant on the Education and Skills Funding Agency for the advancement of general annual grant. This funding is to be withdrawn when Holy Family Catholic Academy Trust activities were transferred to St Ralph Sherwin Catholic Multi Academy Trust from 1 September 2018. Holy Family Catholic Academy Trust charitable company will close sometime during 2018/19.

This condition, together with the other matters set out in the Statement of Accounting Policies, indicates the existence of a material uncertainty which may cast significant doubt on the charitable company's ability to continue as a going concern in the longer term. For this reason the academy trust is preparing the accounts on a winding up basis and measuring assets and liabilities at their recoverable amounts. No material adjustments are required as a result of ceasing to apply the going concern basis.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLY FAMILY CATHOLIC ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the trustees' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the academy trust 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLY FAMILY CATHOLIC ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

.....
Malcolm Winston
Senior Statutory Auditor
UHY Hacker Young (Birmingham) LLP, Statutory Auditor
9-11 Vittoria Street
Birmingham
B1 3ND

20 December 2018

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLY FAMILY CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 30 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the Holy Family Catholic Academy Trust during the period 1 September 2017 to 31 August 2018 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 Catholic Academy Trust and the ESFA in accordance with our engagement letter. Our review has been undertaken so that we might state to the governing body and the ESFA those matters we are required to state to it 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 Catholic Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have

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

The accounting officer is responsible, under the requirements of the Holy Family Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2012, and the Academies Financial Handbook extant from 1 September 2017 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 2017 to 2018. 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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement

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 multi academy trust's income and expenditure.

Summary of the work undertaken was as follows:

- Analytical review of the Holy Family Catholic Academy Trust's general activities are within the multi academy trusts framework of authorities;
- Consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLY FAMILY CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Approach (con't)**

- Review of the general control environment for the Holy Family Catholic Academy Trust on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the multi academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the multi academy trust's delegated authorities;
- Formal representations obtained from the board of trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or trustees;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or trustees; and
- Review of income received in accordance with the activities permitted within the multi academy trust's charitable objectives.

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 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....
Reporting Accountant
UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

20 December 2018

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018

(Including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Discontinued Operations Total 2018	Total 2017
	Note	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and capital grants	3	-	47	46	93	137
Charitable activities:						
- Funding for the academy trust's educational operations	4	-	8,866	-	8,866	8,989
Other trading activities	5	35	-	-	35	32
Investment income	6	-	-	-	-	-
Total		35	8,913	46	8,994	9,158
Expenditure on:						
Raising funds	7	18	-	-	18	15
Charitable activities:						
- Academy trust's educational operations	7	-	9,918	87	10,005	10,377
Total		18	9,918	87	10,023	10,392
Net expenditure		17	(1,005)	(41)	(1,029)	(1,234)
Transfers between funds	17	(60)	(7)	67	-	-
Other recognised gains and losses						
Actuarial gain on defined benefit pension schemes	28	-	923	-	923	2,088
Net movement in funds		(43)	(89)	26	(106)	854
Reconciliation of funds						
Total funds brought forward	17 & 30	122	(6,091)	266	(5,703)	(6,557)
Total funds carried forward	17	79	(6,180)	292	(5,809)	(5,703)

BALANCE SHEET AS AT 31 AUGUST 2018

	Note	2018	2017
		£'000	£'000
Fixed assets			
Tangible assets	13	<u>292</u>	<u>266</u>
		<u>292</u>	<u>266</u>
Current assets			
Debtors	14	356	548
Cash at bank and in hand		<u>257</u>	<u>465</u>
		<u>613</u>	<u>1,013</u>
Current liabilities			
Creditors: Amounts falling due within one year	15	<u>(858)</u>	<u>(710)</u>
Net current (liabilities)/assets		<u>(245)</u>	<u>303</u>
Total assets less current liabilities		47	569
Creditors: Amounts falling due after more than one year	16	(78)	(96)
Net assets excluding pension liability		<u>(31)</u>	<u>473</u>
Defined benefit pension scheme liability	27	(5,778)	(6,176)
Total Net Assets		<u><u>(5,809)</u></u>	<u><u>(5,703)</u></u>
Funds of the Academy:			
Restricted funds			
- Fixed asset fund	17	292	266
- Restricted income fund	17	(402)	85
- Pension reserve	17	<u>(5,778)</u>	<u>(6,176)</u>
Total Restricted Funds		<u>(5,888)</u>	<u>(5,825)</u>
Unrestricted income fund	17	<u>79</u>	<u>122</u>
Total Unrestricted Funds		<u>79</u>	<u>122</u>
Total Funds		<u><u>(5,809)</u></u>	<u><u>(5,703)</u></u>

The financial statements on pages 28 to 50 were approved by the trustees and authorised for issue on 20 December 2018 and signed on their behalf by:

.....
Sherri Medcalf
Chair of Trustees
20 December 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018	2017
		£'000	£'000
Cash flows from operating activities			
Net cash used in operating activities	21	(123)	(630)
Cash flows used in investing activities	22	(67)	(34)
Cash flows used in financing activities	23	(18)	(17)
Change in cash and cash equivalents in the reporting period		<u>(208)</u>	<u>(681)</u>
Cash and cash equivalents at 1 September		465	1,146
Cash and cash equivalents at 31 August	24	<u>257</u>	<u>465</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018**1 Statement of Accounting Policies**

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Holy Family Catholic Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. Following the transfer of the academy to St Ralph Sherwin Catholic Academy Trust from 1 September 2018, the primary source of funding from the ESFA for the company will cease. The trustees have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future but there are material uncertainties about the Academy Trust's ability to continue as a going concern. For this reason the Academy Trust is preparing the financial statements on a winding up basis and measuring assets and liabilities at their recoverable amounts. No material adjustments are required as a result of ceasing to apply the going concern basis.

Income

All incoming resources are recognised when the Holy Family Catholic Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• Grants

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

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 sheet in creditors; amounts falling due within one year in deferred income.

• Sponsorship income

Sponsorship income provided to the Holy Family Catholic Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

• Donations

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

• Other income

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

- **Transfers on conversion**

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Donations and capital grant income.

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

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

Where academies are operating under a licence to occupy, the land and buildings are not recognised as fixed assets in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Tangible Fixed Assets (cont'd)**

The Trustees have chosen not to include building valuations on the Balance Sheet. Holy Family Catholic Academy Trust does not own any of the school sites. The school sites are owned by Nottingham Roman Catholic Diocesan Trustees and are made available to the schools by a Church Supplemental Agreement. The site trustees can withdraw the school site at any time on two years notice. Holy Family Catholic Academy Trust cannot sell the 'asset' or mortgage it as security for any borrowing. The economic benefit to Holy Family Catholic Academy Trust is that it does have the use of the site for nil consideration, but only for the use as a church school. Therefore, Holy Family Catholic Academy Trust has concluded after seeking legal opinion, not to include the value of the sites and buildings they use. The risks and rewards of ownership have not been passed to Holy Family Catholic Academy Trust and therefore no value has been attributed to the land and buildings at 31 August 2018.

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Fixtures and fittings	10%
Computer equipment and software	33.33%

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

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

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

Leased assets

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

Stocks

Stocks are valued at the lower of cost and net reliable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Financial Instruments (cont'd)**

Financial liabilities - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised cost as detailed in notes 14,15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The Holy Family Catholic Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the multi academy 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.

Pensions Benefits

Retirement benefits to employees of the Holy Family Catholic Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 27, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Holy Family Catholic Academy Trust in separate trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of the scheme introductions, benefit changes, settlements and curtailments.

They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees. Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)***Critical accounting estimates and assumptions***

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The critical judgements that the Trustees have made in the process of applying the Holy Family Catholic Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held, are disclosed in note 30.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Holy Family Catholic Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018. (See note 17)

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
Devolved formula capital grant	-	36	36	58
CIF grant	-	27	27	-
School fund	-	-	-	7
Donations	-	30	30	72
	<u>-</u>	<u>93</u>	<u>93</u>	<u>137</u>

The income from donations and capital grants was £93,000 (2017:£137,000) of which £Nil (2017:£Nil) was unrestricted, £47,000 (2017:£79,000) restricted and £46,000 (2017 : £58,000) restricted fixed assets.

4 FUNDING FOR HOLY FAMILY CATHOLIC ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
DfE/ESFA grants				
General annual grant (GAG) (note 2)	-	7,828	7,828	7,924
Other DfE/ESFA grants	-	163	163	85
Pupil premium grant	-	462	462	492
	<u>-</u>	<u>8,453</u>	<u>8,453</u>	<u>8,501</u>
Other Government grants				
Special needs grant - DCC	-	395	395	485
Pupil Premium - DCC	-	-	-	3
Careers grant - NCC	-	8	8	-
	<u>-</u>	<u>403</u>	<u>403</u>	<u>488</u>
Other income from the academy trust's educational operations	-	10	10	-
	<u>-</u>	<u>10</u>	<u>10</u>	<u>-</u>
	<u>-</u>	<u>8,866</u>	<u>8,866</u>	<u>8,989</u>

The income from the academy trusts's educational operations was restricted for both 2018 and 2017.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
5 OTHER TRADING ACTIVITIES				
Sundry income	35	-	35	32
	<u>35</u>	<u>-</u>	<u>35</u>	<u>32</u>

The income from the academy trusts's other trading activities was unrestricted for both 2018 and 2017.

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
6 INVESTMENT INCOME				
Bank interest received	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The income from the academy trusts's investment income was unrestricted for both 2018 and 2017.

7 EXPENDITURE

	Staff Costs £'000	Non Pay Expenditure		Total 2018 £'000	Total 2017 £'000
		Premises £'000	Other Costs £'000		
Expenditure on raising funds					
- Direct costs	10	-	2	12	10
- Allocated support costs	-	-	6	6	5
Academy's educational operations					
- Direct costs	6,547	-	752	7,299	7,499
- Allocated support costs	1,679	632	395	2,706	2,878
	<u>8,226</u>	<u>632</u>	<u>1,147</u>	<u>10,005</u>	<u>10,377</u>
	<u>8,236</u>	<u>632</u>	<u>1,155</u>	<u>10,023</u>	<u>10,392</u>

The expenditure was £10,023,000 (2017: £10,392,000) of which £18,000 (2017: £231,000) was unrestricted, £9,918,000 (2017: £10,074,000) restricted and £87,000 (2017: £87,000) restricted fixed assets.

	2018 £'000	2017 £'000
Net income/(expenditure) for the year includes:		
Operating leases rentals	26	17
Depreciation	87	87
Fees payable to auditor for:		
- audit	12	12
- other services	2	2
	<u>125</u>	<u>118</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

8 CHARITABLE ACTIVITIES

	Total 2018 £'000	Total 2017 £'000
Direct costs - educational operations	7,299	7,499
Support costs - educational operations	2,706	2,878
	<u>10,005</u>	<u>10,377</u>

Analysis of Support Costs

Support staff costs	1,679	1,796
Depreciation	87	87
Technology costs	22	14
Premises costs	545	492
Other support costs	348	455
Governance	25	34
	<u>2,706</u>	<u>2,878</u>

9 STAFF COSTS

a Staff costs

Staff costs during the year were:

	Total 2018 £'000	Total 2017 £'000
Wages and salaries	5,809	6,248
Social security costs	558	573
Operating costs of defined benefit pension schemes	1,576	1,585
	<u>7,943</u>	<u>8,406</u>

Agency staff costs

	177	314
--	-----	-----

Staff restructuring costs

	116	96
	<u>8,236</u>	<u>8,816</u>

Staff restructuring costs comprise:

Redundancy payments	21	43
Severance payments	-	53
Other restructuring costs	95	-
	<u>116</u>	<u>96</u>

b Staff severance payments

Included in staff restructuring costs are non statutory/non contractual severance payments totalling £Nil (2017 : £53,335).

c Staff numbers

The average number of persons (including senior management team) employed by the academy trust during the year ended 31 August 2018 expressed as whole persons was as follows:

	2018 No	2017 No
Charitable Activities		
Teachers	107	103
Administration and support	144	151
Management	14	13
	<u>265</u>	<u>267</u>

d Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000 was:

	2018 No	2017 No
£60,001 - £70,000	4	2
£80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**9 STAFF COSTS (cont'd)****e Key management personnel**

The key management of the Holy Family Catholic Academy Trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £311,230 (2017: £264,133).

10 CENTRAL SERVICES

No central services were provided by Holy Family Catholic Academy Trust to its academies during the year and no central charges arose.

11 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the Holy Family Catholic Academy Trust. The Principal and other staff trustees only receive remuneration in respect of this services provided undertaking the roles of Principal and staff members under their contracts of employment. The value of trustee's remuneration and other remuneration was as follows:

R Snowdon - Poole (Principal and Trustee)

Remuneration	£60,000 - £65,000	(2017: £55,000 - £60,000)
Employers pension contributions	£10,000 - £15,000	(2017: £5,000 - £10,000)

K Gritton (Principal and Trustee)

Remuneration	£85,000 - £90,000	(2017: £85,000 - £90,000)
Employers pension contributions	£10,000 - £15,000	(2017: £10,000 - £15,000)

During the year ended 31 August 2018 or 31 August 2017 no trustee received any reimbursement of travel and subsistence expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

12 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 £2,000,000 on any one claim.

13 TANGIBLE FIXED ASSETS

	Furniture & Equipment	Computer Equipment	Total
Cost	£'000	£'000	£'000
At 1 September 2017	352	423	775
Additions	66	47	113
Transfers	-	-	-
Disposals	-	-	-
At 31 August 2018	<u>418</u>	<u>470</u>	<u>888</u>
Depreciation			
At 1 September 2017	153	356	509
Charged in year	37	50	87
Disposals	-	-	-
At 31 August 2018	<u>190</u>	<u>406</u>	<u>596</u>
Net book value			
At 31 August 2018	<u>228</u>	<u>64</u>	<u>292</u>
At 31 August 2017	<u>199</u>	<u>67</u>	<u>266</u>

14 DEBTORS

	2018	2017
	£'000	£'000
Trade debtors	70	38
VAT recoverable	112	243
Prepayments and accrued income	174	267
	<u>356</u>	<u>548</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2018	2017
	£'000	£'000
Salix loan	17	17
Trade creditors	422	277
Taxation and Social Security	139	120
Other creditors	220	151
Accruals	31	90
Deferred income	<u>29</u>	<u>55</u>
	<u>858</u>	<u>710</u>

A Salix loan from Salix Finance under the condition improvement fund has been provided interest free for 8 years commencing from 1 March 2016.

Deferred Income	2018	2017
	£'000	£'000
Deferred income at 1 September 2017	55	55
Resources deferred in the year	29	55
Amounts released from previous years	<u>(55)</u>	<u>(55)</u>
Deferred income at 31 August 2018	<u>29</u>	<u>55</u>

At the balance sheet date Holy Family Catholic Academy Trust was holding funds received in advance for 2018/19 for universal fee school meals £29,433 (2017 : £28,679) and CIF project funding £Nil (2017 : £26,797).

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Creditors include amounts not wholly repayable within 5 years as follows:

	2018	2017
	£'000	£'000
Salix loan	<u>78</u>	<u>96</u>

The academy took out an ESFA approved, interest free Salix loan commencing from 1 March 2016, payable over 8 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

17 FUNDS

The income funds of the academy applied for specific purposes are as follows:

	Balance at 1 September 2017 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General annual grant (GAG) (note i)	11	7,828	(8,273)	4	(430)
Pupil premium grant (note ii)	-	462	(462)	-	-
Other grants DfE/ESFA (note iii)	-	163	(163)	-	-
DCC grant (note iv)	-	395	(395)	-	-
NCC grant (note v)	-	8	(8)	-	-
Other restricted grant (note vi)	-	10	(10)	-	-
CIF grant (note vii)	-	27	(27)	-	-
Restricted donations (Note viii)	-	20	(20)	-	-
School fund (note ix)	74	-	(35)	(11)	28
Total general funds	85	8,913	(9,393)	(7)	(402)
Restricted fixed asset funds					
DfE/ESFA capital grants (note x)	232	36	(70)	-	198
Capital expenditure from restricted donations (note x)	-	10	-	-	10
Capital expenditure from GAG and unrestricted funds (note x)	34	-	(17)	67	84
Total fixed asset funds	266	46	(87)	67	292
Restricted pension scheme liability					
Pension reserve (note xi)	(6,176)	-	(525)	923	(5,778)
	(6,176)	-	(525)	923	(5,778)
Total restricted funds	(5,825)	8,959	(10,005)	983	(5,888)
Unrestricted funds					
Unrestricted funds	122	35	(18)	(60)	79
Total unrestricted funds	122	35	(18)	(60)	79
Total funds	(5,703)	8,994	(10,023)	923	(5,809)

Notes

- i) GAG must be used for the normal running costs of the Holy Family Catholic Academy Trust. Under the funding agreement with the Secretary of State, the Holy Family Catholic Academy Trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2018. (see note 2)
- ii) Pupil premium grant has been used to support children from low income families placed in the MAT.
- iii) Other DfE/ESFA grants include funding for free school meals, rates and sports.
- iv) Special needs grant has been used to support enhanced learning for children with special educational needs.
- v) Funding from Nottinghamshire County Council used for career support.
- vi) Big Lottery Fund used for Bright Starts.
- vii) CIF grant has been used for a sewage plant replacement at St George's Catholic Voluntary Academy.
- viii) Donations received from Nottingham Roman Catholic Diocesan Education Service.
- ix) School funds are contributions received from parents which are used to support the MAT's activities.
- x) Restricted fixed asset additions were funded by government grants, a restricted donation and a £60,000 transfer from unrestricted funds.
- xi) The pension reserve represents the deficit on the LGPS. (see note 27).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

17 FUNDS (cont'd)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 As Restated £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General annual grant (GAG)	356	7,924	(8,268)	(1)	11
Pupil premium grant	85	492	(577)	-	-
Other grants DfE/ESFA	-	85	(85)	-	-
DCC grant	-	488	(488)	-	-
Restricted donations	-	72	(72)	-	-
School fund	104	7	(4)	(33)	74
Total general funds	545	9,068	(9,494)	(34)	85
Restricted fixed asset funds					
DfE/ESFA capital grants	261	58	(87)	-	232
Capital expenditure from GAG	-	-	-	34	34
Total fixed asset funds	261	58	(87)	34	266
Restricted pension scheme liability					
Pension reserve	(7,684)	-	(580)	2,088	(6,176)
	(7,684)	-	(580)	2,088	(6,176)
Total restricted funds	(6,878)	9,126	(10,161)	2,088	(5,825)
Unrestricted funds					
Unrestricted funds	321	115	(314)	-	122
Total unrestricted funds	321	115	(314)	-	122
Total funds	(6,557)	9,241	(10,475)	2,088	(5,703)

A current year 12 month and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General annual grant (GAG)	356	15,752	(16,541)	3	(430)
Pupil premium grant	85	954	(1,039)	-	-
Other grants DfE/ESFA	-	248	(248)	-	-
DCC grant	-	883	(883)	-	-
NCC grant	-	8	(8)	-	-
Other restricted grant	-	10	(10)	-	-
CIF grant	-	27	(27)	-	-
Restricted donations	-	92	(92)	-	-
School fund	104	7	(39)	(44)	28
Total general funds	545	17,981	(18,887)	(41)	(402)
Restricted fixed asset funds					
DfE/ESFA capital grants	261	94	(157)	-	198
Capital expenditure from restricted donations	-	10	-	-	10
Capital expenditure from GAG	-	-	(17)	101	84
Total fixed asset funds	261	104	(174)	101	292
Restricted pension scheme liability					
Pension reserve	(7,684)	-	(1,105)	3,011	(5,778)
	(7,684)	0	(1,105)	3,011	(5,778)
Total restricted funds	(6,878)	18,085	(20,166)	3,071	(5,888)
Unrestricted funds					
Unrestricted funds	321	150	(332)	(60)	79
Total unrestricted funds	321	150	(332)	(60)	79
Total funds	(6,557)	18,235	(20,498)	3,011	(5,809)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

17 FUNDS (cont'd)

TOTAL FUNDS ANALYSIS BY ACADEMY

Fund balances at 31 August 2018 were allocated as follows:

	2018 £'000	2017 £'000
Saint Benedict Catholic Voluntary Academy	(403)	(68)
St George's Catholic Voluntary Academy	80	275
Total before fixed assets and pension reserve	<u>(323)</u>	<u>207</u>
Restricted fixed assets fund	292	266
Pension reserve	<u>(5,778)</u>	<u>(6,176)</u>
Total	<u><u>(5,809)</u></u>	<u><u>(5,703)</u></u>

The HFCAT will join the St Ralph Sherwin CMAT on the 1 September 2018 this has led to the reduction of administration staff at each of the academies. Costs which would have been locally previously are now costs of the trust. There is a centralised finance and HR team which are working to reduce staffing at academies to 75% in line with the budget setting strategy. These teams will be working to bring efficiency savings to academies and using the collective purchasing power of 25 academies.

TOTAL COST ANALYSIS BY ACADEMY

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 Deprec'n)	Total 2018	Total 2017
	£'000	£'000	£'000	£'000	£'000	£'000
Saint Benedict	5,443	1,420	678	660	8,201	8,595
St George's	1,114	259	74	288	1,735	1,793
Holy Family	<u><u>6,557</u></u>	<u><u>1,679</u></u>	<u><u>752</u></u>	<u><u>948</u></u>	<u><u>9,936</u></u>	<u><u>10,388</u></u>

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds	Pension Restricted Funds	School Fund Restricted Funds	General ed Assets Restricted Funds	Restrictive Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	-	-	292	292
Current assets	79	-	28	506	-	613
Current liabilities	-	-	-	(858)	-	(858)
Non-current liabilities	-	-	-	(78)	-	(78)
Pension scheme liability	-	(5,778)	-	-	-	(5,778)
	<u>79</u>	<u>(5,778)</u>	<u>28</u>	<u>(430)</u>	<u>292</u>	<u>(5,809)</u>

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds	Pension Restricted Funds	School Fund Restricted Funds	General ed Assets Restricted Funds	Restrictive Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	-	-	266	266
Current assets	122	-	75	816	-	1,013
Current liabilities	-	-	-	(710)	-	(710)
Non-current liabilities	-	-	-	(96)	-	(96)
Pension scheme liability	-	(6,176)	-	-	-	(6,176)
	<u>122</u>	<u>(6,176)</u>	<u>75</u>	<u>10</u>	<u>266</u>	<u>(5,703)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

19 CAPITAL COMMITMENTS	2018	2017
	£'000	£'000
Contracted for, but not provided in the financial statements	Nil	Nil
Authorised by trustees, but not yet contracted	<u>Nil</u>	<u>Nil</u>
20 COMMITMENTS UNDER OPERATING LEASES		
<i>Operating leases</i>		
At 31 August 2018 the total of the Holy Family Catholic Academy Trust's future minimum lease payments under non-cancellable operating leases was:		
	2018	2017
	Other	Other
	£'000	£'000
Amounts due within one year	6	24
Amounts due between one and five years	8	13
	<u>14</u>	<u>37</u>
21 RECONCILIATION OF NET EXPENDITURE TO CASH FLOW FROM OPERATING ACTIVITIES		
	2018	2017
	£'000	£'000
Net expenditure for the reporting period (as per the statement of financial activities)	(1,029)	(1,234)
Adjusted for:		
Depreciation (note 13)	87	87
Capital grants from DfE and other capital income	(46)	(58)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable (note 28)	366	414
Defined benefit pension scheme finance cost (note 28)	159	166
(Increase)/decrease in stocks	-	1
Decrease/(Increase) in debtors	192	(14)
Increase/(decrease) in creditors	148	8
Net cash used in operating activities	<u>(123)</u>	<u>(630)</u>
22 CASH FLOWS FROM INVESTING ACTIVITIES		
	2018	2017
	£'000	£'000
Interest received	-	-
Purchase of tangible fixed assets	(113)	(92)
Capital grants from DfE/ESFA	36	58
Capital funding received from sponsors and others	10	-
Net cash used in investing activities	<u>(67)</u>	<u>(34)</u>
23 CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowing	(18)	(17)
Net cash used in financing activities	<u>(18)</u>	<u>(17)</u>
24 ANALYSIS OF CASH AND CASH EQUIVALENTS		
	At 31	At 31 Aug
	Aug	2017
	2018	
	£'000	£'000
Cash in hand and at bank	257	465
Total cash and cash equivalents	<u>257</u>	<u>465</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**25 CONTINGENT LIABILITIES**

During the period of the funding agreement between the Holy Family Catholic Academy Trust and the Secretary of State, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Holy Family Catholic Academy Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Holy Family Catholic Academy Trust serving notice, the Holy Family Catholic Academy Trust is obliged to repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the Holy Family Catholic Academy Trust's sites and premises and other assets held for the purpose of the Holy Family Catholic Academy Trust; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

26 MEMBERS' LIABILITY

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

27 PENSION AND SIMILAR OBLIGATIONS

The Holy Family Catholic Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Derbyshire County Council Pension Fund. Both are defined multi employer benefit schemes.

As described in note 28 the LGPS obligation relates to the employees of the Holy Family Catholic Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the multi academy trust at the balance sheet date.

The total pension cost to the Holy Family Catholic Academy Trust during the year ended 31 August 2018 was £1,576,000 (2017:£1,585,000) of which £660,000 (2017:£634,000) relates to the TPS and £916,000 (2017: £951,000) relates to LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £127,624 (2017: £108,934) were payable to the schemes at 31 August 2018 and are included within creditors.

Teachers' Pension Scheme**Introduction**

The 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**Valuation of the Teachers' Pension Scheme**

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 DFE on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.48% which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employers costs paid to TPS in the period amounted to £660,000 (2017: £634,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee administered funds. The total contributions made for the year ended 31 August 2018 was £1,025,000 (2017: £1,063,000) of which employers contributions totalled £916,000 (2017: £951,000) and employees contributions totalled £109,000 (2017: £112,000). The agreed employers contributions for future years are 22.0% (2017: 18.2%) for St Benedict CVA and 20.1% (2017: 18.2%) for St George's CVA. Future employee contributions for both schools are 5.5% (2017: 5.5%).

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 liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions

The major assumptions used by the actuary were:

	At 31 August 2018	At 31 August 2017
	% per annum	% per annum
Discount rate	2.8%	2.5%
Salary increases	2.9%	2.9%
Pension increase	2.4%	2.4%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

27 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 August 2018 Approx Change to Employers Liability £'000	At 31 August 2017 Approx Change to Employers Liability £'000
Discount rate reduced by 0.5% per annum	1,331	1,234
Salary rate increased by 0.5% per annum	222	236
Pension rate increased by 0.5% per annum	1,092	977

The mortality assumptions used were as follows:

	At 31 August 2018 years	At 31 August 2017 years
Longevity at age 65 retiring today		
- Men	21.9	21.9
- Women	24.4	24.4
Longevity at age 65 retiring in 20 years		
- Men	23.9	23.9
- Women	26.5	26.5

The Holy Family Catholic Academy Trust's share of the assets in the scheme were:

	Fair value at 31 August 2017 £'000	Fair value at 31 August 2017 £'000
Equity instruments	2,747	2,375
Debt instruments	779	664
Property	287	245
Cash	287	209
Total market value of assets	4,100	3,493
Present value of scheme liabilities		
- Funded	(4,100)	(3,493)
- Unfunded	(5,778)	(6,176)
Total liabilities	(9,878)	(9,669)
Deficit in the scheme	(5,778)	(6,176)

The actual return on the scheme assets in the year was £192,000 (2017: £241,000).

Amounts recognised in the Statement of Financial Activities

	2018 £'000	2017 £'000
Current service cost	757	718
Interest income	(92)	(64)
Interest cost	251	230
Past service cost	-	67
Total operating charge	916	951

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)

27 PENSION AND SIMILAR OBLIGATIONS (cont'd)

	2018	2017
	£'000	£'000
Changes in deficit during the year		
Balance at 1 September 2017	6,176	7,684
Movement in year:		
- Employer service cost (net of employee contributions)	757	785
- Employer contributions	(391)	(371)
- Expected return on scheme assets	(92)	(64)
- Interest cost	251	230
Actuarial gains	(923)	(2,088)
Deficit in the scheme at 31 August 2018	<u>5,778</u>	<u>6,176</u>
Changes in the present value of defined benefit obligations were as follows:	2018	2017
	£'000	£'000
Balance at 1 September 2017	9,669	10,539
Current service cost	757	718
Past service cost	-	67
Interest cost	251	230
Contributions by scheme participants	109	112
Benefits paid	(85)	(86)
Actuarial gains	(823)	(1,911)
Scheme liabilities at 31 August 2018	<u>9,878</u>	<u>9,669</u>
Changes in the fair value of the Holy Family Catholic Academy Trust's share of scheme assets:	2018	2017
	£'000	£'000
Balance at 1 September 2017	3,493	2,855
Expected return on scheme assets	92	64
Actuarial gains	100	177
Contributions by employer	391	371
Benefits paid	(85)	(86)
Contributions by scheme participants	109	112
Fair value of scheme assets at 31 August 2018	<u>4,100</u>	<u>3,493</u>

The estimated value of employer contributions for the year ended 31 August 2019 is £392,000 (2018: £384,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018 (cont'd)**28 RELATED PARTY TRANSACTIONS**

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

Holy Family Catholic Academy Trust has a close relationship with the charitable company, Saint Benedict School Trust. K Gritton the Headteacher of Saint Benedict Catholic Voluntary Academy is also a director of Saint Benedict School Trust. Saint Benedict School Trust provided a grant of £Nil (2017: £72,000) to support building maintenance at Saint Benedict Catholic Voluntary Academy.

In entering into the transactions the trust has complied with the requirements of the Academies Financial Handbook 2017.

29 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. At the year end an amount of £44,843 (2017: £41,942) is included in other creditors relating to amounts due to the ESFA.

30 PRIOR YEAR ADJUSTMENT

Following a change to the Academies Accounts Direction 2016/17 land and buildings accounting policy, which concluded that where an Academy Trust does not have control over its land and buildings either because of the Church's ultimate right to determine access, or because of the Church's right to consent to works, then the land and buildings would not meet the definition of an asset. As a result the prior year reserves and primary statements have been restated to reflect the material change to the land and building accounting policy, of not including land and buildings owned by the Church on the Academy Trusts balance sheet.

The effect of the change in the land and buildings accounting policy for year ending 31 August 2017, has resulted in the cost of the land and buildings and accumulated depreciation being corrected by a prior year adjustment, which has decreased the fixed assets reserve by £18,809,000 and the net book value of land and buildings by the same amount.

31 EVENTS AFTER THE END OF THE REPORTING PERIOD

On 1 September 2018 the assets and liabilities and activities of Holy Family Catholic Academy Trust were transferred to the charitable company St Ralph Sherwin Catholic Multi Academy Trust.

32 DISSOLUTION OF AN EXISTING ACADEMY TRUST

	Transfer out on academy leaving the trust £'000
Tangible fixed assets	
Computer equipment	64
Furniture & equipment	228
Current assets	
Trade debtors	70
VAT recoverable	112
Prepayments and accrued income	174
Cash at bank	257
Liabilities	
Creditors: amounts falling due within one year:	
Salix Loan	(17)
Trade creditors	(422)
Taxation and social security	(139)
Other creditors	(220)
Accruals and deferred income	(60)
Creditors: amounts falling due after more than one year:	
Salix Loan	(78)
Pensions	
Pensions - pension scheme assets	4,100
Pensions - pension scheme liabilities	(9,878)
Net assets	<u>(5,809)</u>