

# **St Barnabas Catholic Academy Trust**

Registered number: 08089246

## **Trustees report and financial statements**

**For the period ended 31 August 2013**

# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

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**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS  
TRUSTEES AND ADVISERS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

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<b>Trustees</b>	David Attewell (appointed 30 May 2012) Nicholas Barnett (appointed 30 May 2012) Caroline Caille, Head Teacher (appointed 30 May 2012) Andrew Cole (appointed 30 May 2012) Ann Glynne-Jones, Head Teacher (appointed 30 May 2012) Geraldine Kelly, Head Teacher (appointed 30 May 2012) Pauline Lynch, Head Teacher (appointed 30 May 2012) Helen Mannion (appointed 30 May 2012) Michael McKeever, Head Teacher (appointed 30 May 2012) Gerald McMahan (appointed 10 October 2012) Margaret Shanahan (appointed 30 May 2012) Geraldine Shelley (appointed 30 May 2012) Alfred Stiegler (appointed 30 May 2012) Celine Toner, Head Teacher (appointed 30 May 2012) Maria Tye (appointed 30 May 2012) Michael Gallagher (appointed 30 May 2012, resigned 10 October 2012)
<b>Company registered number</b>	08089246
<b>Principal and registered office</b>	C/O The Trinity Catholic School Beechdale Road Aspley Nottingham Nottinghamshire NG8 3EZ
<b>Company secretary</b>	Mrs Christine Vickerstaff
<b>Independent auditors</b>	Mazars LLP Chartered Accountants Statutory Auditor Cartwright House Tottle Road Nottingham NG2 1RT
<b>Bankers</b>	Lloyds Bank Market Square House Nottingham NG1 6FD  The Co-operative Bank 4-5 Exchange Walk Nottingham NG1 2NX

# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT**

#### **FOR THE PERIOD ENDED 31 AUGUST 2013**

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The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of St Barnabas Catholic Academy Trust (the Academy Trust) for the period ended 31 August 2013. The Directors confirm that the Annual Report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the academy trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Academy Trust is a charitable company limited by guarantee and was set up by a Memorandum of Association signed by the Members.

The Academy Trust is constituted under a Memorandum of Association . The Academy was incorporated on 30 May 2012 and commenced activities from 1 July 2012.

##### **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.

##### **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.

Any governor 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 governorships as possible filled and as many governors as possible on the governing body. Any vacancies will be advertised on the academy website and newsletter.

We have delegated to the Headteacher the overall responsibility for organising the election and to also undertake the role of returning officer.

The Governance Structure is as follows:

- Foundation Governors
- Foundation Parent Members
- Parent Representatives
- Community Members
- Ex Officio Members

The proportion of members varies from school to school depending on size and status.

##### **Policies and procedures adopted for the induction and training of Trustees**

New Governors are either elected or appointed by the Bishop. There is a programme of training available for new Governors.

# **ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)**

## **TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 AUGUST 2013**

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### **Organisational structure**

The Governing Bodies operate according to statutory regulations and perform their tasks according to local circumstances where necessary and the precepts of Natural Justice.

Each Governing Body meets once per term as a minimum. In certain cases extra meetings may be called.

Although the subcommittee structure differs from school to school, each school has a subcommittee structure which meets usually twice a term and has an elected Chair. These subcommittees cover the area of Finance & Risk, Personnel & Pupils, Curriculum & Ethos and Premises. The Disciplinary Committee of each school is called as necessary. The areas covered by these committees are as follows:

All Personnel matters

All Financial matters

All School Premises, Assets and Developmental matters

All Educational, Moral and Ethical issues

All Pupil related matters

Each separate school has a Discipline Committee that meets when necessary

The subcommittees receive reports from the Headteacher, interrogate them where necessary and vote on issues when necessary. Minutes from the subcommittees are discussed at subsequent full Governing Body meetings.

The terms of reference are agreed each year for all subcommittees.

### **Connected organisations, including related party relationships**

St Barnabas Catholic Academy Trust is not formally linked to any Alliance or other Trust. However, one of our schools is a National Support School and a Leading Edge School and works exclusively with other schools in the Region.

### **Risk management**

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

The academy has a risk register that is reviewed annually by the Governing Body. The register records the risks that have been identified and the control measures it has implemented. The statement of internal control is considered annually.

### **Trustees' indemnities**

The Governors have liability Insurance with Zurich Municipal effective date 1st July 2012. There is a limit of Indemnity of £25,000,000.

# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE PERIOD ENDED 31 AUGUST 2013**

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#### **OBJECTIVES AND ACTIVITIES**

##### **Objects and aims**

Below are the Mission Statements of each of our schools. They summarise the desire to 'Educate in the Faith' and to support the Catholic Church in the formation of young people.

##### **The Trinity Catholic School**

"This Catholic School will seek to educate the whole person, academically, morally, socially and spiritually through the example of Jesus Christ and the witness of committed capable teachers"

##### **Our Lady of Perpetual Succour**

At Our Lady of Perpetual Succour Catholic Academy we learn to love and love to learn. We are a Catholic community, guided by the light of Christ and working in partnership with parents and parish, where every member is encouraged to grow in their faith and give witness to others.

We are an exciting learning community where every child is given the opportunity to enjoy reaching their full potential – intellectually, spiritually, physically and creatively.

We are a loving community where each person is cared for as a unique gift from God and can grow socially and emotionally in a happy and safe atmosphere of mutual love and respect.

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

"To walk hand in hand with God, loving him, loving each other and loving ourselves, doing our best with the gifts he gave us to make the world a richer place."

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

*To celebrate God's love and presence through the teachings of Jesus*

*To promote a positive, caring and inclusive community*

*To value and nurture the uniqueness of each individual*

St. Teresa's overall aim will be to celebrate God's presence, love and action through the living Gospels, following St. Teresa's example by "Doing the little things well"

##### **Objectives, strategies and activities**

The principal object of the academy is the operation of The Trust to provide a Catholic education for pupils of different abilities between the ages of 3 and 19 providing a broad and balanced curriculum.

The academy admits pupils according to a published Admissions Policy which has been approved by the Diocese and consulted on by the Local Authority.

##### **Public benefit**

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commissions general guidelines on public benefit.

The academy looks to promote for the benefit of the inhabitants of Nottingham 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.

**ST BARNABAS CATHOLIC ACADEMY TRUST  
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)  
FOR THE PERIOD ENDED 31 AUGUST 2013**

**ACHIEVEMENTS AND PERFORMANCE**

**Key performance indicators**

Below is a summary of Academic Performance from each of our schools. It is pleasing to report that all our Schools outperform national averages to a significant level.

**The Trinity Catholic School**

**GCSE**

<b>Title</b>	<b>Total</b>	<b>Percentage</b>	<b>Notes</b>
Total number of students	177	-	All students including those with no results
Students not included	0	-	Students marked as 'Off Roll' within 4Matrix
Students included in analysis	177	-	Students to include in analysis
Pupils with 5+ A*-A	58	32.77%	Pupils that achieved 5+ grades equivalent to A* to A at GCSE
Pupils with 5+ A*-B	103	58.19%	Pupils that achieved 5+ grades equivalent to A* to B at GCSE
Pupils with 5+ A*-C	155	87.57%	Pupils that achieved 5+ grades equivalent to A* to C at GCSE
Pupils with 5+ A*-C (inc Maths and English)	131	74.01%	Pupils that achieved 5+ grades equivalent to A* to C at GCSE inc Maths and English
Pupils with 5+ A*-G	177	100%	Pupils that achieved 5+ grades equivalent to A* to G at GCSE
Pupils with 5+ A*-G (inc Maths and English)	176	99.44%	Pupils that achieved 5+ grades equivalent to A* to G at GCSE inc Maths and English
Pupils with 1+ A*-G	177	100%	Pupils that achieved 1+ grades equivalent to A* to G at GCSE
Entries achieving a grade A*	196	8.89%	Entries with a standard point score equivalent to grade A* at GCSE
Entries achieving a grade A*-A	577	26.18%	Entries with a standard point score equivalent to grade A*-A at GCSE
Entries achieving a grade A*-B	1064	48.28%	Entries with a standard point score equivalent to grade A*-B at GCSE
Entries achieving a grade A*-C	1540	69.87%	Entries with a standard point score equivalent to grade A*-C at GCSE

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

<b>Title</b>	<b>Total</b>	<b>%</b>	<b>Notes</b>
Total Entries	2204	-	Total number of entries, not weighted
Total Entries (weighted)	2180.5	-	Total number of entries, weighted
Average entries per pupil	12.45	-	Average entries per pupil
Average Point Score (Capped)	366.58	-	APS (Capped) achieved by the statistical cohort
Average Point Score (Uncapped)	510.71	-	APS (Uncapped) achieved by the statistical cohort
Average Point Score (Capped)	386.92	-	APS (Capped) achieved by pupils with 5+ A* to C GCSE equiv (Discounted)
Average Point Score (Uncapped)	551.08	-	APS (Uncapped) achieved by pupils with 5+ A* to C GCSE equiv (Discounted)
Pupils achieving 1 science higher grade	151	85.31%	Pupils achieving 1+ Science qualifications A* to C GCSE equiv
Pupils achieving 2 science higher grades	141	79.66%	Pupils achieving 2+ Science qualifications A* to C GCSE equiv
Pupils achieving Triple science higher grades	100	56.5%	Pupils achieving Chemistry, Biology and Physics qualifications A* to C GCSE equiv
MFL entries	176	99.44%	Pupils entered for at least one MFL
Pupils achieving at least one MFL higher grade	92	52.27%	Pupils achieving 1+ MFL qualification A* to C equiv (% of entries)
Pupils achieving at least one MFL higher grade	92	51.98%	Pupils achieving 1+ MFL qualification A* to C equiv (% of entries)
Pupils achieving at least one MFL grade	175	99.43%	Pupils achieving 1+ MFL qualification D to G equiv (% of entries)
Pupils achieving at least one MFL grade	175	98.87%	Pupils achieving 1+ MFL qualification D to G equiv (% of entries)



# ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)

## TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 AUGUST 2013

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### A and AS Level analysis 2013

#### Results Year 13 A2

- Our biggest ever year group 131 (average 110 last 3 years)
- 99.2% Pass rate (3 U amongst 389 grades) above 3 yr avge of 98.1%
- 25 of 27 subjects 100% pass rate
- 30.6 % A\* and A which is up 5.4% on our 3 yr avge 25.2%
- 47.8% A\* A and B slightly down on 3 yr avge of 49.5%
- 294.2 Points per student slightly down on 3 yr avge 299.3  
[based upon an A\* = 140 pts, A=120 etc]

#### Year 13 Destinations

- 80% University; 2% Job; 2% trainee/apprenticeship; 8% FE ( Art foundations) Gap Year 7% Unknown 1%. Approximately 76% got first choices and 12% second choices
- Most popular course Science based 21%; Maths 16% English 8% Also popular were Design, Architecture, Education, History, Vocational Health ( 3 dentists 2 medics 2 Others)
- We had 7 Oxbridge applicants 5 interviewed no offers; just under half (45) are heading to Russell group Universities

**ALPS (A2) (our data tool)** has 8 red subjects (6) and 13 black (16) and 6 blue (4) but the red covers 55% grades black 30% and blue 16%. Red is outstanding, black is normal and blue is underachieving.

Conclusion this indicates "A better than average performance" compared with performances in the benchmark.

#### Results Year 12

- 136 students though some gave up and left after exams before end of term and down to 117 going into Y13.
- 525 grades with 66 Ungraded 87.4% compares with 3 yr avge 86.5%
- 142.4 pts per student compares with 3yr avge 137
- 39% A and B compares with 41% 3yr avge

**ALPS (AS)** has 5 red subjects and 15 black (16) and 8 blue but the red covers 60% grades black 20% and blue 20%. Red is outstanding, black is normal and blue is underachieving.

Conclusion this indicates "A better than average performance" compared with performances in the benchmark.

**ST BARNABAS CATHOLIC ACADEMY TRUST  
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)  
FOR THE PERIOD ENDED 31 AUGUST 2013**

**Our Lady of Perpetual Succour**

**Key Stage 1**

Taking level 2b as expected, 83% of pupils reached age related expectations in reading with 63% above. 80% in writing with 44% above and 80% in mathematics with 57% above.

100% of pupils achieved expected progress or better in reading and numeracy. 97% reached expected progress or better in writing.

**Key Stage 2**

97% of pupils reached level 4 in reading with 45% at level 5 and 3% at level 6. 90% reached level 4 in writing with 23% at level 5 and 7% at level 6. 90% of pupils reached level 4 in mathematics with 36% at level 5 and 17% at level 6.

100% of pupils achieved expected progress or better in writing and 97% reached expected progress or better in reading and mathematics.

**St Mary's Catholic Primary School**

**Phonics Results**

Year	Year GP	No in Cohort	Number who passed	% passed	% national
2013	Y2	7	4/7	57%	
2013	Y1	30	21/30	70%	
2013	Y1	32	25/32	78%	58%

**Key Stage 1 Results**

	Maths			Reading			Writing		
	L2+	L2b+	L3	L2+	L2b+	L3	L2+	L2b+	L3
2012	81%	74%	22%	81%	78%	27%	78%	70%	15%
2013	96.9%		25%	87.5%		21.9%	84.4%		15.6%
Nat 13	91%	78%	23%	89%	79%	29%	85%	67%	15%

**Key Stage 2 Results**

	Maths		English		Reading		Writing	
	L4+	L5	L4+	L5	L4+	L5	L4+	L5
2012	96%	35%	97%	36%	100%	69%	89.3%	28.6%

**ST BARNABAS CATHOLIC ACADEMY TRUST  
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)  
FOR THE PERIOD ENDED 31 AUGUST 2013**

**Key Stage 2 Results 2013**

Number in cohort	Maths			English			Reading			Writing		
	L4+	L5+	L6	L4+	L5+	L6	L4+	L5+	L6	L4+	L5+	L6
27	96%	41%	19%	100%	70%		93%	41%		100%	48%	
<b>Nat 13</b>	85%	41%	6%	85%	44%	0%	83%	30%	2%	74%	47%	2%

**EYFS 2013**

Number in cohort: 30

Percentage of pupils at a Good Level of Development: 43%

**St Teresa's Catholic Primary School**

**Year 2 Results 2013 (60 pupils)**

	Level 2C+	Level 3	APS
Reading	95%	32%	16.8
Writing	88%	13%	15.4
Maths	97%	22%	16.5

**Year 6 Results 2013 (62 pupils)**

	Level 4	Level 5	Level 6	APS	Progress measure
Reading	98%	60%	2%	30.6	102.1
Writing	100%	47%	2%	29.9	102.4
Maths	98%	65%	8%	31.3	103.4
SPAG	97%	74%	5%	31.5	

# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE PERIOD ENDED 31 AUGUST 2013**

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#### **Review of activities**

The Academy is funded by the Education Funding Agency using the Nottinghamshire Local Authority funding formula. In addition, the Academy receives the Education Services Grant (formally the Local Authority Central Spend Equivalent Grant) from the Education Funding Agency.

This is the first full year of activities for the academy which has resulted in total income of £37,638k and total expenditure of £13,238k with net movement for the year on reserves of £23,748k.

The cash balance of the Academy has been healthy and for the period ending 31 August 2013 is £4,066k. We have carried forward a surplus in restricted funding of £1,469k and unrestricted funding of £960k.

#### **Going concern**

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

#### **Investment policy and performance**

The Academy manages its cash by reviewing the short and medium term requirements for funds.

### **FINANCIAL REVIEW**

#### **Financial and risk management objectives and policies**

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

The academy has inherited the local government defined benefit pension scheme deficit for associate staff which it is reducing as advised by Mercers, the pension actuarial experts.

#### **Principal risks and uncertainties**

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 model the financial implications of any trends.
2. Changes to the funding formula. The Principal is a member of 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.

# ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)

## TRUSTEES' REPORT (continued) FOR THE PERIOD ENDED 31 AUGUST 2013

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### Reserves policy

The Governors policy is to review the reserve levels of the academy annually. The policy of the academy is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects, subject to the constraint that the level of resources does not exceed the level permitted by the EFA.

The academy has a policy of carrying forward internal under / overspends. This does result in an increase in the academy reserve.

The closing restricted funds as at 31 August 2013 accumulate to a deficit of £517k as this includes £1,986k relating to the pension scheme deficit. The deficit is being repaid as advised by Mercers, pension actuary experts.

The academy is in a good financial position for the forthcoming year.

### PLANS FOR THE FUTURE

#### Future developments

This year sees the first Catholic Leadership Course designed for the Nottingham Diocese.

### PROVISION OF INFORMATION TO AUDITORS

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

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

### AUDITORS

The auditors, Mazars LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by order of the governing body on 12 December 2013 and signed on its behalf by:



.....  
**Mrs Margaret Shanahan**  
Chair of Directors

# ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNANCE STATEMENT

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### Scope of Responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that St Barnabas 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 governing body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Barnabas Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The governing body has formally met 6 times during the period. Attendance during the period at meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
David Attewell	5	5
Nicholas Barnett	4	5
Caroline Caille, Head Teacher	5	5
Andrew Cole	3	5
Ann Glynne-Jones, Head Teacher	5	5
Geraldine Kelly, Head Teacher	5	5
Pauline Lynch, Head Teacher	4	4
Helen Mannion	3	5
Michael McKeever, Head Teacher	5	5
Gerald McMahon	1	2
Margaret Shanahan	5	5
Geraldine Shelley	5	5
Alfred Stiegler	5	5
Celine Toner, Head Teacher	1	1
Maria Tye	5	5
Michael Gallagher	2	3

The **Finance and General Purposes Committee** is a sub-committee of the main governing body. Its purpose is to discuss financial matters including preparation of draft budget, approving journals and transfers, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure, considering audit reports. Approval of the budget, Best Value Statement and journals over £50,000 will remain the responsibility of the Full Governors.

### 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 St Barnabas Catholic Academy Trust for the period ended to 31 August 2013 and up to the date of approval of the annual report and financial statements.

# ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNANCE STATEMENT (continued)

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### Capacity to Handle Risk

The governing body 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 governing body 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 period ended to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

### 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 governing body;
- regular reviews by the governing body 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 governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Caroline Caille, a Head Teacher at St Augustine's Catholic Academy Trust, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the RO reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

### Review of Effectiveness

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

- the work of the Responsible Officer;
- 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 Responsible Officer and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on 12 December 2013 and signed on their behalf, by:



Mrs Margaret Shanahan  
Chair of Directors



Mr Michael McKeever  
Accounting Officer

**ST BARNABAS CATHOLIC ACADEMY TRUST  
(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



.....  
**Mr Michael McKeever**  
**Accounting Officer**

Date: 12 December 2013



# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

#### **FOR THE PERIOD ENDED 31 AUGUST 2013**

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

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

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

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

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

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

Approved by order of the members of the Board of Directors on 12 December 2013 and signed on its behalf by:



**Mrs Margaret Shanahan**  
Chair of Directors

# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST BARNABAS CATHOLIC ACADEMY TRUST**

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We have audited the financial statements of St Barnabas Catholic Academy Trust for the period ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees (who are also the directors of the Academy Trust for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

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

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

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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

In our opinion the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**ST BARNABAS CATHOLIC ACADEMY TRUST  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST BARNABAS CATHOLIC  
ACADEMY TRUST**

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

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

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



Martin Rogers (Senior Statutory Auditor)

for and on behalf of

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

Cartwright House  
Tottle Road  
Nottingham  
NG2 1RT

Date: 17 December 2013

# **ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)**

## **INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST BARNABAS CATHOLIC ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 21 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Barnabas Catholic Academy Trust during the period 30 May 2012 to 31 August 2013 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 St Barnabas Catholic Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Barnabas Catholic Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Barnabas Catholic Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of St Barnabas Catholic Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Barnabas Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 30 May 2012, and the Academies Financial Handbook extant from 2006, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 30 May 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

**ST BARNABAS CATHOLIC ACADEMY TRUST  
(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY  
TO ST BARNABAS CATHOLIC ACADEMY TRUST AND THE EDUCATION FUNDING  
AGENCY (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 30 May 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Mazars LLP**

Chartered Accountants  
Statutory Auditor

Cartwright House  
Tottle Road  
Nottingham  
NG2 1RT

Date: 17 December 2013

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

*(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)*

**FOR THE PERIOD ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
<b>Incoming resources</b>					
Incoming resources from generated funds:					
Voluntary income - on conversion	2	951,491	(905,495)	23,522,975	23,568,971
Activities for generating funds	3	216,518	-	-	216,518
Investment income	4	3,517	-	-	3,517
Funding for Academy's trust's educational operations	5	-	12,727,640	678,285	13,405,925
Other incoming resources	6	139,984	303,238	-	443,222
<b>Total incoming resources</b>		<b>1,311,510</b>	<b>12,125,383</b>	<b>24,201,260</b>	<b>37,638,153</b>
<b>Resources expended</b>					
Charitable activities		351,928	11,845,283	895,696	13,092,907
Governance costs	9	-	145,531	-	145,531
<b>Total resources expended</b>		<b>351,928</b>	<b>11,990,814</b>	<b>895,696</b>	<b>13,238,438</b>
<b>Net incoming resources before revaluations</b>		<b>959,582</b>	<b>134,569</b>	<b>23,305,564</b>	<b>24,399,715</b>
Actuarial gains and losses on defined benefit pension schemes		-	(652,000)	-	(652,000)
<b>Net movement in funds for the year</b>		<b>959,582</b>	<b>(517,431)</b>	<b>23,305,564</b>	<b>23,747,715</b>
Total funds at 30 May 2012		-	-	-	-
<b>Total funds at 31 August 2013</b>		<b>959,582</b>	<b>(517,431)</b>	<b>23,305,564</b>	<b>23,747,715</b>

All of the academy trust's activities derive from acquisitions in the current financial period.

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

The notes on pages 23 to 44 form part of these financial statements.

# ST BARNABAS CATHOLIC ACADEMY TRUST

Registered number: 08089246

(A Company Limited by Guarantee)

## BALANCE SHEET AS AT 31 AUGUST 2013

	Note	£	2013 £
<b>Fixed assets</b>			
Tangible assets	15		22,012,639
<b>Current assets</b>			
Debtors	16	349,752	
Cash at bank		4,066,032	
		<u>4,415,784</u>	
<b>Creditors: amounts falling due within one year</b>	17	(694,708)	
<b>Net current assets</b>			<u>3,721,076</u>
<b>Total assets less current liabilities</b>			<u>25,733,715</u>
Defined benefit pension scheme liability	23		(1,986,000)
<b>Net assets including pension scheme liabilities</b>			<u><u>23,747,715</u></u>
<b>Funds of the academy</b>			
Restricted funds:			
Restricted funds	18	1,468,569	
Restricted fixed asset funds	18	23,305,564	
		<u>24,774,133</u>	
Restricted funds excluding pension liability			
Pension reserve		(1,986,000)	
		<u>22,788,133</u>	
Total restricted funds			22,788,133
Unrestricted funds	18		<u>959,582</u>
<b>Total funds</b>			<u><u>23,747,715</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 12 December 2013 and are signed on their behalf, by:



.....  
Michael McKeever, Head Teacher  
Chair of Trustees

The notes on pages 23 to 44 form part of these financial statements.

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

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	<b>Note</b>	<b>15 Months ended 31 August 2013 £</b>
Net cash flow from operating activities	<b>20</b>	1,253,069
Returns on investments and servicing of finance	<b>21</b>	3,518
Capital expenditure and financial investment	<b>21</b>	1,292,924
Cash transferred on conversion to an Academy Trust		1,516,521
		<hr/>
<b>Increase in cash in the period</b>		<b>4,066,032</b> <hr/> <hr/>

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

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	<b>15 Months ended 31 August 2013 £</b>
Increase in cash in the period	4,066,032
	<hr/>
<b>Movement in net funds in the period</b>	<b>4,066,032</b> <hr/>
<b>Net funds at 31 August 2013</b>	<b>4,066,032</b> <hr/> <hr/>

The notes on pages 23 to 44 form part of these financial statements.

All of the cash flows are derived from acquisitions in the current financial period.



# ST BARNABAS CATHOLIC ACADEMY TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2013

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#### 1. Accounting Policies

##### 1.1 Basis of preparation of financial statements

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

##### 1.2 Incoming resources

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

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

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

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

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

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

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

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

# **ST BARNABAS CATHOLIC ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE PERIOD ENDED 31 AUGUST 2013**

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

##### **1.3 Resources expended**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

##### **1.4 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 the Department for Education where the asset acquired or created is held for a specific purpose.

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

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

##### **1.5 Going concern**

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

# ST BARNABAS CATHOLIC ACADEMY TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2013

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#### 1. Accounting Policies (continued)

##### 1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are considered for capitalisation.

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

A review for impairment of assets is carried out if events or changes in circumstances indicate that the carrying value 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.

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

Long leasehold land and buildings-	2 % straight line
Motor vehicles	- 25 % straight line
Fixtures and fittings	- 20 % straight line
Computer equipment	- 25 % straight line

##### 1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### 1.8 Taxation

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

# ST BARNABAS CATHOLIC ACADEMY TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2013

---

#### 1. Accounting Policies (continued)

##### 1.9 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

##### 1.10 Conversion to Academy Trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Trinity Catholic School, St Marys Catholic Primary School, St Teresa's Catholic Primary School and Our Lady of Perpetual Succour Catholic Academy to an Academy Trust have been valued at their fair value being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for St Barnabas Catholic Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transactions are set out in Note 26.

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

**2. Voluntary income - on conversion**

	<b>Unrestricted funds 2013 £</b>	<b>Restricted funds 2013 £</b>	<b>Total funds 2013 £</b>
Assets transferred from Local Authority on conversion	951,491	22,617,480	23,568,971
	<u>951,491</u>	<u>22,617,480</u>	<u>23,568,971</u>

**3. Activities for generating funds**

	<b>Unrestricted funds 2013 £</b>	<b>Restricted funds 2013 £</b>	<b>Total funds 2013 £</b>
Catering income	216,518	-	216,518
	<u>216,518</u>	<u>-</u>	<u>216,518</u>

**4. Investment income**

	<b>Unrestricted funds 2013 £</b>	<b>Restricted funds 2013 £</b>	<b>Total funds 2013 £</b>
Investment income	3,517	-	3,517
	<u>3,517</u>	<u>-</u>	<u>3,517</u>

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

**5. Funding for Academy's educational operations**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
<b>DfE/EFA grants</b>			
General Annual Grant (GAG)	-	12,015,158	12,015,158
	<u>-</u>	<u>12,015,158</u>	<u>12,015,158</u>
<b>Other government grants</b>			
Other DfE/EFA grants	-	594,207	594,207
Other LEA grants	-	67,265	67,265
Start up grant	-	50,000	50,000
Special educational projects	-	1,010	1,010
	<u>-</u>	<u>712,482</u>	<u>712,482</u>
<b>DfE/EFA capital grants</b>			
Devolved formula capital allocations	-	15,453	15,453
Academy main building grant	-	662,832	662,832
	<u>-</u>	<u>678,285</u>	<u>678,285</u>
	<u>-</u>	<u>13,405,925</u>	<u>13,405,925</u>

**6. Other incoming resources**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Academy trips	-	303,238	303,238
Sundry income	139,984	-	139,984
	<u>139,984</u>	<u>303,238</u>	<u>443,222</u>

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

**7. Resources expended**

	Staff costs £	Premises £	Other costs £	2013 £
<b>Academy's educational operations</b>				
- Direct costs	8,494,479	858,207	914,232	10,266,918
- Allocated support costs	870,415	1,324,178	631,396	2,825,989
Sub total	<u>9,364,894</u>	<u>2,182,385</u>	<u>1,545,628</u>	<u>13,092,907</u>
Governance costs including allocated support costs	-	-	145,531	145,531
Total	<u><u>9,364,894</u></u>	<u><u>2,182,385</u></u>	<u><u>1,691,159</u></u>	<u><u>13,238,438</u></u>

**8. Direct costs**

	Unrestricted £	Restricted £	Total 2013 £
<b>Teaching and educational support staff</b>			
Wages and salaries	-	7,045,031	7,045,031
National insurance	-	480,632	480,632
Pension costs	-	897,816	897,816
FRS17 pension costs	-	71,000	71,000
Sub total	<u>-</u>	<u>8,494,479</u>	<u>8,494,479</u>
Depreciation	-	858,207	858,207
Educational supplies	-	145,782	145,782
Exam fees	-	119,542	119,542
Staff development	-	38,163	38,163
School trips	-	270,645	270,645
Other direct costs	-	340,100	340,100
Total	<u><u>-</u></u>	<u><u>10,266,918</u></u>	<u><u>10,266,918</u></u>

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

**Support costs**

	Unrestricted £	Restricted £	Total 2013 £
<b>Support staff costs</b>			
Wages and salaries	24,142	701,231	725,373
National insurance	-	35,141	35,141
Pension costs	-	95,165	95,165
Recruitment and support	-	14,736	14,736
	<hr/>	<hr/>	<hr/>
Sub total	24,142	846,273	870,415
	<hr/>	<hr/>	<hr/>
Depreciation	-	37,489	37,489
Maintenance of premises and equipment	-	439,371	439,371
Cleaning	-	205,258	205,258
Rent, rates and utilities	-	415,645	415,645
Insurance	-	172,607	172,607
Security and transport	-	53,808	53,808
Catering	307,371	-	307,371
Bank interest and other charges	-	25	25
Other support costs	12,786	311,214	324,000
	<hr/>	<hr/>	<hr/>
Total	344,299	2,481,690	2,825,989
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**9. Governance costs**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Governance Auditors' remuneration	-	11,200	11,200
Governance Auditors' non audit costs	-	9,000	9,000
Legal and professional fees	-	125,331	125,331
	<hr/>	<hr/>	<hr/>
	-	145,531	145,531
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

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**10. Net incoming resources**

This is stated after charging:

	<b>15 Months ended 31 August 2013 £</b>
Depreciation of tangible fixed assets:	
- owned by the charity	895,696
Auditors' remuneration	11,200
Auditors' remuneration - non-audit	9,000
Operating leases	17,673
	<u><u>          </u></u>

**ST BARNABAS CATHOLIC ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2013**

**11. Staff costs**

Staff costs were as follows:

	<b>15 Months ended 31 August 2013 £</b>
Wages and salaries	7,568,805
Social security costs	515,773
Other pension costs (Note 23)	992,981
	<hr/>
	9,077,559
Supply teacher costs	201,599
Recruitment and support	14,736
FRS17 pension costs	71,000
	<hr/>
	<b>9,364,894</b>

The average number of persons (including the senior management team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	<b>15 Months ended 31 August 2013 No.</b>
Teachers	155
Administration and support	139
Management	17
	<hr/>
	311

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

	<b>15 Months ended 31 August 2013 No.</b>
In the band £60,001 - £70,000	3
In the band £70,001 - £80,000	1
In the band £80,001 - £90,000	2
In the band £100,001 - £200,000	1
	<hr/>
	7

The above individuals are a member of the Teachers Pension Scheme and during the period contributions totalling £79,796 were made by the Trust.

# ST BARNABAS CATHOLIC ACADEMY TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2013

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#### 12. Trustees' remuneration and expenses

During the period retirement benefits were accruing to 5 Trustees in respect of defined contribution pension schemes.

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

	15 Months ended 31 August 2013 £
Ann Glynne-Jones	80,000-85,000
Geraldine Kelly	65,000-70,000
Pauline Lynch	30,000-35,000
Michael McKeever	120,000-125,000
Celine Toner	25,000-30,000

During the period, no Trustees received any reimbursement of expenses.

#### 13. Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2013 was £3,860.

The cost of this insurance is included in the total insurance cost.

#### 14. Other finance income

	15 Months ended 31 August 2013 £
Expected return on pension scheme assets	78,000
Interest on pension scheme liabilities	(149,000)
	<hr/> <hr/> <u>(71,000)</u>

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**15. Tangible fixed assets**

	Long leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>					
Additions	429,637	20,556	30,161	7,737	488,091
Transferred on conversion	20,337,136	-	1,813,674	269,434	22,420,244
At 31 August 2013	<u>20,766,773</u>	<u>20,556</u>	<u>1,843,835</u>	<u>277,171</u>	<u>22,908,335</u>
<b>Depreciation</b>					
Charge for the period	378,632	5,996	430,227	80,841	895,696
At 31 August 2013	<u>378,632</u>	<u>5,996</u>	<u>430,227</u>	<u>80,841</u>	<u>895,696</u>
<b>Net book value</b>					
At 31 August 2013	<u><u>20,388,141</u></u>	<u><u>14,560</u></u>	<u><u>1,413,608</u></u>	<u><u>196,330</u></u>	<u><u>22,012,639</u></u>

**16. Debtors**

	<b>2013</b>
	<b>£</b>
Trade debtors	992
Other debtors	197,957
Prepayments and accrued income	150,803
	<u>349,752</u>

**17. Creditors:**  
**Amounts falling due within one year**

	<b>2013</b>
	<b>£</b>
Trade creditors	165,625
Other taxation and social security	118,981
Other creditors	188,812
Accruals and deferred income	221,290
	<u>694,708</u>

Deferred income relates to Capital grant of £151,100 deferred until work begins on site and other income relating after 31 August 2013.

	<b>£</b>
<b>Deferred income</b>	
Resources deferred during the year	<u>186,436</u>

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**18. Statement of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>					
General Funds	-	1,311,510	(351,928)	-	959,582
<b>Restricted funds</b>					
General Annual Grant (GAG)	-	12,015,158	(11,111,619)	-	903,539
Other DfE/EFA grants	-	594,208	(594,208)	-	-
LEA and other grants	-	67,265	(67,265)	-	-
Other restricted	-	649,752	(84,722)	-	565,030
Start up grant	-	50,000	(50,000)	-	-
Pension reserve	-	(1,251,000)	(83,000)	(652,000)	(1,986,000)
	-	12,125,383	(11,990,814)	(652,000)	(517,431)
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	-	15,453	(220)	-	15,233
Capital donations	-	22,420,245	(870,382)	-	21,549,863
Academy capital grants	-	662,831	(9,421)	-	653,410
School Building Fund	-	1,102,731	(15,673)	-	1,087,058
	-	24,201,260	(895,696)	-	23,305,564
Total restricted funds	-	36,326,643	(12,886,510)	(652,000)	22,788,133
Total of funds	-	37,638,153	(13,238,438)	(652,000)	23,747,715

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the movements on the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

The Pension Reserve is a fund in deficit as this relates to the Local Government Pension Scheme, the governors review the deficit on a regular basis and are advised by an external actuary.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. Statement of funds (continued)**

**Analysis of academies by fund balance**

Fund balances at 31 August 2013 were allocated as follows:

The Trinity School	1,280,771
St Mary's Catholic Primary School	253,590
St Teresa's Catholic Primary School Academy	583,463
Our Lady of Perpetual Succour Catholic Academy	310,327
	<hr/>
Total before fixed asset fund and pension reserve	2,428,151
Restricted fixed asset fund	23,305,564
Pension reserve	(1,986,000)
	<hr/>
Total	<u>23,747,715</u>

**Analysis of academies by cost**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depn £	Total £
The Trinity School	5,626,939	427,812	683,847	1,377,451	8,116,049
St Mary's Catholic Primary School	899,601	105,629	83,288	210,816	1,299,334
St Teresa's Catholic Primary School Academy	1,258,480	170,597	93,208	335,029	1,857,314
Our Lady of Perpetual Succour Catholic Academy	733,601	127,499	54,059	154,886	1,070,045
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>8,518,621</u>	<u>831,537</u>	<u>914,402</u>	<u>2,078,182</u>	<u>12,342,742</u>

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

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Tangible fixed assets	-	-	22,012,639	22,012,639
Current assets	959,582	2,163,277	1,292,925	4,415,784
Creditors due within one year	-	(694,708)	-	(694,708)
Provisions for liabilities and charges	-	(1,986,000)	-	(1,986,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>959,582</u>	<u>(517,431)</u>	<u>23,305,564</u>	<u>23,747,715</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Net cash flow from operations**

	<b>15 Months ended 31 August 2013 £</b>
Net incoming resources before revaluations	24,399,715
Returns on investments and servicing of finance	(3,518)
Inherited defined benefit pension scheme liability	1,251,000
Donated assets	(22,420,244)
Depreciation of tangible fixed assets	895,696
Donated school fund	(565,030)
Increase in debtors	(349,752)
Increase in creditors	694,708
Surplus on conversion	(951,491)
Capital grants from DfE	(1,781,015)
FRS 17 adjustments	83,000
	<hr/>
<b>Net cash inflow from operations</b>	<b>1,253,069</b> <hr/> <hr/>

**21. Analysis of cash flows for headings netted in cash flow statement**

	<b>15 Months ended 31 August 2013 £</b>
<b>Returns on investments and servicing of finance</b>	
Interest received	3,518
	<hr/> <hr/>

	<b>15 Months ended 31 August 2013 £</b>
<b>Capital expenditure and financial investment</b>	
Purchase of tangible fixed assets	(488,091)
Capital grants from DfE	1,781,015
	<hr/>
<b>Net cash inflow capital expenditure</b>	<b>1,292,924</b> <hr/> <hr/>

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**22. Analysis of changes in net funds**

	30 May 2012	Cash flow	Other non-cash changes	31 August 2013
	£	£	£	£
Cash at bank and in hand:	-	4,066,032	-	4,066,032
<b>Net funds</b>	<b>-</b>	<b>4,066,032</b>	<b>-</b>	<b>4,066,032</b>

**23. Pension commitments**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2012.

Contributions amounting to £97,601 were payable to the scheme at 31 August 2013 and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

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



# ST BARNABAS CATHOLIC ACADEMY TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2013

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#### 23. Pension commitments (continued)

##### Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

##### Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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

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

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**23. Pension commitments (continued)**

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2013 was £309,000, of which employer's contributions totalled £232,000 and employees' contributions totalled £77,000. The agreed contribution rates for future years are 18% for employers and 14.1% for employees.

As described in note the LGPS obligation relates to the employees of the 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 Academy Trust at the balance sheet date.

The amounts recognised in the Balance Sheet are as follows:

	<b>15 Months ended 31 August 2013 £</b>
Present value of funded obligations	(3,699,000)
Fair value of scheme assets	1,713,000
	<hr/>
Net liability	(1,986,000)
	<hr/> <hr/>

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**23. Pension commitments (continued)**

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

	<b>15 Months ended 31 August 2013 £</b>
Current service cost	(244,000)
Interest on obligation	(149,000)
Expected return on scheme assets	78,000
Current service costs	-
	<hr/>
Total	(315,000)
	<hr/> <hr/>
Actual return on scheme assets	219,000
	<hr/> <hr/>

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

	<b>15 Months ended 31 August 2013 £</b>
Current service cost	244,000
Interest cost	149,000
Contributions by scheme participants	77,000
Actuarial Losses	795,000
Benefits paid	(4,000)
Inherited	2,438,000
	<hr/>
Closing defined benefit obligation	3,699,000
	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Pension commitments (continued)**

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

	<b>15 Months ended 31 August 2013 £</b>
Expected return on assets	78,000
Actuarial gains and (losses)	143,000
Contributions by employer	232,000
Contributions by employees	77,000
Benefits paid	(4,000)
Inherited	1,187,000
	<hr/>
	1,713,000
	<hr/> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £652,000.

The Academy Trust expects to contribute £234,000 to its Defined Benefit Pension Scheme in 2014.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2013</b>
European equities	71.00 %
Gilts	9.00 %
Other bonds	4.00 %
Property	12.00 %
Cash/liquidity	2.00 %
Other	2.00 %

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

	<b>2013</b>
Discount rate for scheme liabilities	4.70 %
Rate of increase in salaries	5.10 %
Rate of increase for pensions in payment / inflation	2.90 %
Inflation assumption (CPI)	2.90 %

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

	<b>2013</b>
Retiring today	
Males	18.7
Females	22.8
Retiring in 20 years	
Males	20.7
Females	24.6

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**23. Pension commitments (continued)**

Amounts for the current period are as follows:

Defined benefit pension schemes

	<b>2013</b>
	<b>£</b>
Defined benefit obligation	(3,699,000)
Scheme assets	1,713,000
	<u>(1,986,000)</u>
Deficit	<u>(1,986,000)</u>
Experience adjustments on scheme assets	<u>143,000</u>

**24. Operating lease commitments**

At 31 August 2013 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings 2013 £</b>	<b>Other 2013 £</b>
<b>Expiry date:</b>		
Between 2 and 5 years	-	17,673
	<u>-</u>	<u>17,673</u>

**25. Related party transactions**

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

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**26. Conversion to an Academy Trust**

On 1 July 2012 The Trinity School, St Teresa's Catholic Primary School Academy, Our Lady of Perpetual Succour Catholic Academy and St Mary's Catholic Primary School Academy converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the trust from the Nottingham City Council and Nottinghamshire County Council for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities ("SOFA") as voluntary income.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total £
Leasehold land and buildings	-	-	20,337,136	20,337,136
Other tangible fixed assets	-	-	2,083,108	2,083,108
Budget surplus on local authority funds	951,491	-	-	951,491
Surplus on other school funds	-	345,505	-	345,505
School building fund	-	-	1,102,731	1,102,731
LGPS pension deficit	-	(1,251,000)	-	(1,251,000)
<b>Total</b>	<b>951,491</b>	<b>(905,495)</b>	<b>23,522,975</b>	<b>23,568,971</b>

The land and buildings were transferred over to the academy trust under a 125 year lease. The assets were valued by external valuers: FHP Property Consultants using the depreciated replacement cost method.

Fixtures and computer equipment were valued by Charterfields to give a reasonable estimate of the depreciated value of assets transferred on conversion.

Each of the LGPS pension deficits have been valued by external actuaries: Barnett Waddingham.