

# **St Peter's Catholic Voluntary Academy Trust**

Registered number: 07739194

## **Governors' report and financial statements**

**For the year ended 31 August 2013**

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **CONTENTS**

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	Page
<b>Reference and Administrative Details of the Academy, its Governors and Advisers</b>	1 - 2
<b>Governors' Report</b>	3 - 10
<b>Governance Statement</b>	11 - 13
<b>Statement on Regularity, Propriety and Compliance</b>	14
<b>Governors' Responsibilities Statement</b>	15
<b>Independent Auditors' Report</b>	16 - 17
<b>Independent Auditors' Assurance Report on Regularity</b>	18 - 19
<b>Statement of Financial Activities</b>	20
<b>Balance Sheet</b>	21
<b>Cash Flow Statement</b>	22
<b>Notes to the Financial Statements</b>	23 - 43

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST  
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS  
AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2013**

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**Governors**

Mrs J Wyatt<sup>^</sup>, Chairman  
Mr K Allen\* (resigned 10 September 2012)  
Mrs C Barrington  
Mr A Battiston\* (resigned 5 November 2012)  
Mr R Belcher<sup>^</sup>  
Mr P Bond<sup>^</sup>, Co-optee re-appointed 10 September 2012 to 31 August 2013  
Mr P Booth<sup>^</sup>, Co-optee re-appointed 10 September 2012 and 10 September 2013  
Mr R Dickinson, Co-optee re-appointed 10 September 2012 to 31 October 2012,  
appointed Foundation Governor 1 November 2012  
Miss R Dixon  
Mr M Egan\*, Headteacher, Accounting Officer (resigned 10 September 2012)  
Mrs T B Gibbons<sup>^</sup> (resigned 1 September 2013)  
Rev Bro B Hayward\* (resigned 1 September 2013)  
Miss P Hubbert (resigned 1 September 2013)  
Mrs M Humphries (resigned 31 March 2013)  
Mr R Jones<sup>^</sup>  
Mr P Kazmierczak\*  
Mr Fr J Lee (appointed 10 September 2012)  
Mr D Martin\* (resigned 10 September 2012)  
Mrs S D Omoserwerha  
Mr D Richmond\*  
Mr P Smith (resigned 22 June 2013)  
Mr D J Todd<sup>^</sup>, Headteacher, Accounting Officer (appointed 10 September 2012)  
Mrs C Walkden (resigned 19 March 2013)  
Mr G Wood  
Mr M Young (appointed 18 March 2013)

\*Members of the Finance Planning Committee that had finance and audit oversight responsibility until 1 May 13.

<sup>^</sup>Members of the Finance, Resources and Premises Committee that has had finance and audit oversight responsibility since 1 May 13.

**Company registered number**

07739194

**Principal and registered office**

St Catherine's Road, Southbourne, Bournemouth, Dorset, BH6 4AH

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST  
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS  
AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2013**

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**Advisers (continued)**

**Company secretary**

Mr R Ashdown

**Senior management team**

Mr D Todd, Headteacher  
Mr M Antram, Deputy Headteacher  
Mrs A Wazajewski, Deputy Headteacher  
Mr M Egan, Deputy Headteacher (from 1 September 2013 following relinquishment of appointment as interim Headteacher)  
Miss R Dixon, Assistant Headteacher  
Miss P Hubbert, Assistant Headteacher  
Mr M Spackman, Assistant Headteacher  
Mr I Scott-Brown, Director of Communications  
Mrs J Lasham, School Business Manager (appointed 7 May 2013)

**Independent auditors**

Mazars LLP, 8 New Fields, 2 Stinsford Road, Nuffield, Poole, Dorset, BH17 0NF

**Bankers**

Lloyds Plc, 4 Castle Street, Christchurch, Dorset, BH23 1DU

**Solicitors**

Blake Lapthorn, New Kings Court, Tollgate, Chandler's Ford, Eastleigh, SO53 3LG

**Responsible Officer**

Mr James Paget, Paget Reid York, 96-98 Castle Lane West, Bournemouth, Dorset, BH9 3JU

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **GOVERNORS' REPORT**

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

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The Governors (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 Peter's Catholic Voluntary Academy Trust (the academy) for the ended 31 August 2013. The Governors confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

#### **Structure, governance and management**

##### **a. Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Academy Trust's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governors act as the Trustees for the charitable activities of St Peter's Catholic Voluntary Academy Trust Limited for the purposes of company law. The Academy Trust is known as St Peter's Catholic Voluntary Academy.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

##### **b. Members' liability**

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

##### **c. Governors' Indemnities**

The Academy Trust has purchased Governors' Liability insurance £2,000,000 and Fidelity Guarantee cover £100,000 Governors and Employees at a cost of £1,422 (2012 - £1,368).

##### **d. Principal Activities**

The Academy Trust's principal activity is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic schools designated as such which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic Canon Law applying thereto, including the charitable purposes of the Trustees and any trust deed governing the use of any land used by an Academy Trust both generally and having regard to any advice and following directives issued by the Diocesan Bishop and De La Salle and agreed between them.

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **GOVERNORS' REPORT (continued)**

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

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#### **e. Method of recruitment and appointment or election of Governors**

The Diocese (the Catholic Diocese of Portsmouth) and the De La Salle Brothers (the Province of Great Britain of the Institute of the Brothers of the Christian Schools) may each appoint in total such equal number of Directors as shall ensure that the number of Foundation Directors exceed the total of all other Directors by two. The Parent Governors are elected by Parents/Carers of registered Students at the Academy. A Parent Governor must be a Parent/Carer of a Student at the Academy at the time when s/he is elected. The Headteacher is treated for all purposes as being an ex-officio Governor. Up to three additional Staff Governors may be elected by all staff. Staff eligible to stand and those eligible to vote are in accordance with Articles Clause 50a. Three co-opted Governors can and were appointed according to particular skills, experience and competencies that they offer for the period to 31 August 12. The size of the Governing Body is being reduced in response to national guidance and following the Ofsted Inspection in September 2012. This has been achieved initially by not replacing Governors who have resigned pending a more formal skills analysis whilst ensuring that the right balance of skills remains during the transition period.

#### **f. Policies and procedures adopted for the induction and training of Governors**

The Governing Body has adopted a protocol that indicates how induction of new Governors will be undertaken. This includes a formal programme of training and assignment of a mentor. Development training of Governors occurs on a continuous basis through the year. This process is facilitated by the School purchasing Governor training through the Local Authority Governor Services department. Training is monitored by a Governor with special responsibility for Governor Training and Induction. Reports are made to routine Governor Body meetings.

#### **g. Organisational structure**

St Peter's School has a Governing Body, the composition of which is set out in the Academy Trust's Articles of Association. The School has six main Governor Committees: Finance Planning; Pay; Student Admissions and Welfare; Curriculum; Premises, Health and Safety; and, Marketing and Communications to which Governors are appointed. The School will also call on members of the Governing Body to sit on the Staff Dismissals, Staff Discipline, Grievance Committees on an ad hoc basis should either Committee be required. The Governing Body and its Committees have Terms of Reference which are reviewed annually and contain details of meeting dates, compositions, responsibilities, delegated authorities and matters reserved for the Governing Body itself.

The School Leadership Team comprises of those persons listed on page 1. Their roles and responsibilities are reviewed annually by the Governing Body as a part of the School Development Plan. Financial and other authorities are confirmed annually by the Governing Body within the adopted Scheme of Delegation.

#### **h. Risk management**

The major risks to which the School is exposed as identified by the Governors, the School Leadership Team and others, in particular those related to the operations and finances of the School, have been reviewed and systems or procedures have been established to manage those risks. Internal control systems and the exposure to risks are considered on a regular basis by the Governors and the School Leadership Team at their routine meetings. The Governors are satisfied that systems and procedures are in place to mitigate the School's exposure to the major risks.

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2013

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### i. Connected Organisations, including Related Party Relationships

The School is not part of a wider network such as a soft federation, whereby the relationship involved would have an impact on the School's operational policies. The School has not established any relationships with related parties and any other charities/organisations with which it co-operates in the pursuit of charitable activities such that they have influence over operational policies other than with the Diocese (the Catholic Diocese of Portsmouth) and the De La Salle Brothers (the Province of Great Britain of the Institute of the Brothers of the Christian Schools). The St Peter's Lasallian School Trust is a private company limited by guarantee. It has no access to public funds and the School does not contribute any funds to this company from its public grant.

### Objectives and Activities

#### a. Objects and aims

St Peter's Catholic Voluntary Academy Trust (informally known as St Peter's Catholic School) has been established to maintain, and to carry on or provide for the carrying on of, an independent school to be formally known as St Peter's Catholic Voluntary Academy Trust and having such characteristics as are referred to below. The Secretary of State for Education has agreed to make payments to the Academy Trust in accordance with the conditions and requirements set out in the Academy's Funding Agreement. For the avoidance of doubt, any obligations imposed upon or powers given to the School by that Agreement are also imposed upon the Academy Trust.

The characteristics of the School are set down in section 482 (2) of the Education Act 1996, as substituted by the Education Act 2002, are that the School: should have a broad curriculum with an emphasis on a particular subject area, or particular subject areas, specified in the Funding Agreement; and, should provide education for Students of different abilities and who are wholly or mainly drawn from the area in which the School is situated.

#### b. Objectives, strategies and activities

**Christian Foundation:** St Peter's is a Christian School, which shares the teaching mission of the Catholic Church. The foundation of its whole educational enterprise is Christ and, through his life and teaching, it finds its meaning and purpose. The School gives priority to Christian education and encourages young people to take a full and active part in the life and mission of the Church.

**Formation of the Whole Person:** The School is committed to excellence throughout all its activities, enabling all individuals to achieve their potential. It strives to educate the whole person academically, socially, spiritually, morally and physically. The School seeks to fulfil this commitment through a curriculum based on Christian principles and centred on the needs and aspirations of its Students.

**Recognition of the Individual:** The School recognises and respects each member of the School community as a child of God, blessed with a unique personality and endowed with individual gifts and talents. We not only teach the demands of justice but we also try to put them into practice in our own community. The School is characterised by a spirit of freedom that includes respect for others, nurtures the growth of the individual and encourages everyone to begin to understand and experience their dignity as a person.

**Christian Community:** The School is a believing Christian community united by common ideals and seeking to promote Gospel values. This community, open to the world and welcoming growth and change, is an irreplaceable source of service, not only to the Staff and Students but also to the family, the Church, the local community and society at large.

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2013

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**The Staff:** At the heart of the School and in the spirit of John Baptiste De La Salle are the teachers. They are assisted in their work by the associate staff. They are central to the well-being and success of the School. They will endeavour to work with tolerance, generosity, patience, humour and humility. They nourish and sustain the spiritual and personal development of each individual.

**Partnership:** Fundamental to the successful educational enterprise is the partnership between School, Students, Governors and their Parents/Carers. The rights and responsibilities of Parents/Carers as the first educators of their children are recognised. This, together with the active participation of and contribution from Students, fosters the atmosphere of achievement through partnership.

### c. Public benefit

The Governors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

### Achievements and performance

#### a. 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 Statement of Accounting Policies.

#### b. Key financial performance Indicators

The School has been operated within the terms and conditions set down within its Academy Funding Agreement to which the Secretary of State for Education is the other party. Compliance with the provisions of this agreement is independently assessed and reported upon by the Responsible Officer (a Firm of Registered Auditors separate from the external Auditor) appointed by the Governing Body. The Responsible Officer's Reports are considered, in detail, by the Finance Planning Committee of the Governing Body every term. Operational KPIs (that cover the range of education provision within the School) are agreed with the Finance Planning Committee of the Governing Body. These are embedded within the School Development Plan which is scrutinised by each Governing Body Committee and overseen by the Finance Planning Committee. Reports are made subsequently to the Governing Body. The evidence underpinning the judgments made reporting progress against KPIs are independently tested by a School Improvement Partner who is a qualified educational professional supported by other independent lead professionals. A continuous programme of review has been agreed and takes place to provide independent assurance.

#### Staffing Costs as a % of Public/GAG income

%	2012/2013	2011/2012
Teaching Staff	70.9%	69.2%
Supply & Educational Support Staff	9.6%	9.6%
Administrative and Site Staff	10.8%	9.9%

#### Admissions for Year 7 Main School Entry (including appeals)

2013		2012	
Applications	Accepted	Applications	Accepted
570	240	596	241

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# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)**

## **GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2013**

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### **c. Review of activities**

The achievements and performance of the School are published within the Key Stage 3, Key Stage 4 and Key Stage 5 attainment tables within the School's Prospectus available on the School's website. The Report resulting from the Ofsted inspection undertaken in September 2012 is also published upon the School's and Ofsted's websites.

The School is an independent state-funded Catholic secondary school within the Diocese of Portsmouth. It opened in September 2011.

The School is oversubscribed at Year 7 with around 600 applicants for 240 places. Priority is given to mostly Catholic children. The School currently has around 400 Students in the sixth form where the minimum entry requirement is five GCSEs at grade C or above. Many Students go on to university, including Oxbridge. The School also has Students who have gone on to make non academic careers. The most notable at the moment is Adam Lallana, an ex-Student who is now the Captain of Southampton football team.

The School has strong links with its Partner Primary Schools and the Chaplain has established strong links with local parishes. Priests come to celebrate class masses regularly, and to staff masses which are held in the Chapel very Friday morning. Students often attend too. The Chaplain organises annual retreats for all Students. They are compulsory for Years 7, 8 and 9. Year 7 go to Portsmouth Cathedral, Year 8 to St Dominique's Priory at Sway and Year 9 go to Kintbury. For Years 10, 11, 12 and 13 there are voluntary retreats to Kintbury. A large part of the work the Chaplain and her team does is one to one counselling with Students. She holds a Parent Support Group and a special group for Students to help those who have, for example, been recently bereaved. Two Governors help with this.

In 2009, through the International Inspiration Programme, the School created links with a South African School which is a partnership between UK Sport, the British Council and UNICEF. The vision for the programme is to enrich the lives of millions of children worldwide through high quality and inclusive physical education, sport and play. Although officially completed this year, the established links between the two schools will be sustained, each school an inspiration to the other.

St Peter's School links with the Community in many ways. The Arts Department holds fantastic exhibitions of Students' work such as that held in Poole at the Lighthouse Theatre. Each year a group is entered into the Rock Challenge competition which is held in the Pavilion Theatre in Bournemouth and a Dance Showcase is staged each year in the School's own theatre. The School puts on an annual show, in 2012 it has been "Little Shop of Horrors". The School holds a Primary Dance Platform each year with partner primary schools, involving over 80 primary Students performing and taking part in Student-led workshops. Teams are entered into the Bar Mock Trials and they always do well. The Students are very well prepared by members of Staff.

The School's Record of Achievement Day in June celebrates the achievements of its Year 11 Students. It's a great opportunity for Parents/Carers, Students, Governors, Members, other Brothers, Priests and Primary school Headteachers to come together for this special occasion.

In September 2012, the School welcomed Mr David Todd as its new Headteacher. He quickly emphasised the importance of teaching and learning and how he intended focussing on his 3 Ps – take time out for Prayer, look after People and keep learning – Pedagogy.

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **GOVERNORS' REPORT (continued)**

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

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#### **Financial review**

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

Review of the School's exposure to financial risks including credit, cash flow and liquidity risks, has been undertaken within the context and noting that the principal financial instruments that the School deals with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors. The Governors have therefore determined that the School's financial situation is robust and stable with no exposure to uncertain financial risks.

The Accounts show that the main incoming resources were from educational funding totalling £7,840,367 (2012: £7,926,461). Additionally, income from activities for generating funds was £202,873 (2012: £210,392) and income from donations and private sources was £7,167 (2012: £1,241). The main expenditure was on staff costs totalling £6,833,467 (2012: £6,746,030). Other significant expenditure was: £191,312 (2012: £235,362) on educational supplies; £159,154 (2012: £161,978) on examination fees; £152,792 (2012: £48,823) on technology costs. The total amount of funds carried forward excluding the pension liability and capital fixed asset fund is £217,680.

The principal sources of funding were from the Education Funding Agency and grant payments from the local authorities. Expenditure of this has supported the School in carrying out its key objectives.

##### **b. Principal risks and uncertainties**

As reported within the Risk Management Statement earlier in this Report, the major risks to which the School is exposed, as identified by the Governors, the School Leadership Team and others, have been reviewed, and systems or procedures have been established to manage those risks. Internal control systems and the exposure to risks are considered on a regular basis by the Governors and the School Leadership Team at their routine meetings. The principal risk for the School is the continuing uncertainty regarding future levels of funding to be received from the EFA. Both the Borough Funding Formula on which are GAG is based and Sixth Form Funding are under consultation for change.

##### **c. Reserves policy**

The School does not plan to hold large reserves. It is intended that its grant funding should, in general terms, be expended each year to support the delivery of education provision to its Students. Governors aim to secure an outturn that will secure an accumulated reserve of approximately £350,000 which represents 0.5% of annual EFA funding. This allows sensible future planning of resources as the School develops.

##### **d. Investment policy**

The Articles of Association list the powers that the School has with regards to investments. The Finance, Resources and Premises Committee reviews this matter at its termly meetings to ensure that returns are maximised within prudent parameters and in accordance with the adopted Governors' Investment Policy. However, there have been no significant investments during its first year as an Academy Trust.

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **GOVERNORS' REPORT (continued)**

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

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#### **Plans for the future**

##### **a. Future developments**

The School has a Development Plan in place that sets overall future direction and takes account of the requirement for the School to meet nationally set targets. The Governing Body has completed a programme of review following the recent Ofsted Inspection. This revisited the School's Vision and Mission and associated governance underpinning measurement and evaluation of performance. Changes to governance oversight to make it more effective and efficient have been implemented as a result of this review. Development of teaching and learning and raising of standards continues to be pursued in accordance with the targets set within the School's Development Plan, produced by the School Leadership Team in consultation with Governing Body Committees and Working Group, that has been adopted by Governors.

Following the School's Ofsted inspection in September 2012 it is working towards achieving a 'good' assessment when the inspection team return in the academic year 2013-2014. The School is focusing on the following action points:

- a. Improve the quality of teaching so that at least 80% of teaching is good or better, and at least 20% is outstanding, by December 2013, by:
  - i. coordinating the management of performance across the School so that it is systematic and rapid in its response to the need for improvement;
  - ii. ensuring professional development is linked to the need to bring about specific improvements in teaching, and that it is promptly implemented and its impact rigorously monitored by middle and senior leaders;
  - iii. improving the use of assessment, including high quality and probing questioning, so that all teachers have a clear understanding of the quality of students' learning at key points, and can respond appropriately;
  - iv. capitalising on the willingness and positive attitudes of Students by piloting new teaching and learning techniques;
  - v. Involving Students in the implementation and evaluation of developments.
- b. Improve the achievement of Students at the end of Year 11 and in the sixth form by:
  - i. raising expectations of the progress that all groups of Students can make;
  - ii. co-ordinating improvements in literacy and oracy across all subjects in Years 7-11.
- c. Improve the effectiveness of leadership and management by:
  - i. ensuring that all strategies to drive improvement are driven by an accurate analysis of need and have precise and well-understood desired outcomes;
  - ii. securing higher levels of accountability of middle leaders for specific improvements in Students' achievements and in the quality of teaching;
  - iii. undertaking a review of governance in order to strengthen its capacity to provide good levels of challenge and support for senior staff.

A temporary Committee of the Trust Members has been established and this has met at least once per term to monitor and evaluate progress.

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2013

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Following the approach by Bournemouth Borough Council (BBC) to extend the Academy Trust's range of intake down to Reception thus becoming an all-through school, the Governing Body met several times during the academic year 2012/2013 to assess the consequent risks and benefits. This led to the Trust formally resolving to develop primary provision of a two form Reception entry in September 2014 that would grow organically from Reception to Year 6 over subsequent years. It was confirmed that this expansion would allow BBC and the Diocese of Portsmouth to accommodate the additional Catholic Students who require school places from September 2014. Costs associated with the new provision will be almost exclusively underwritten by separate funding arrangements and will, in due course, lead to amendment of the Trust's Funding Agreement with the Secretary of State for Education.

### Funds held as custodian

The School does not hold assets in safe custody or act as custodian trustee for any other organisation.

### Disclosure of information to auditors

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

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

This year is the last of a five year contract with the currently appointed Auditor (who was engaged by the previous school and continued in post following conversion to an Academy). A new five year contract will be put out to tender in early 2014. The details will be reviewed by the Finance Planning Committee and approved by the Governing Body following a recommendation. In accordance with the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the appointment of the Auditor of the Academy Trust for the ensuing year following this formal tender process.

This report was approved by order of the Governing Body on 4 December 2013 and signed on its behalf by:

  
.....  
Mrs J Wyatt

Chair of the Governing Body and Voluntary Academy Trust

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNANCE STATEMENT

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### Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that St Peter's Catholic Voluntary 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 Headteacher, 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 Peter's Catholic Voluntary 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 Governors' Report and in the Governors' Responsibilities Statement. The Governing Body has formally met 7 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governors	Meetings attended	Out of a possible
Mrs J Wyatt <sup>^</sup> , Headteacher	7	7
Mrs J Wyatt	7	7
Mr K Allen	0	1
Mr A Battiston*	4	7
Mr A Battiston	1	2
Mr R J Belcher, Co-optee re-appointed 10 September 2012 to 31 August 2013	7	7
Mr P J Bond	4	7
Mr P J Booth	5	7
Miss R Dixon	7	7
Mr M Egan*, Headteacher, Accounting Officer	6	7
Mr M J Egan, Interim Headteacher	1	1
Mrs T B Gibbons	4	7
Rev Bro B Hayward	3	7
Miss P Hubbert	7	7
Mrs M Humphries	4	4
Mr R Jones	7	7
Mr P Kazmierczak	7	7
Mr Rev J A Lee	3	7
Mr D Martin	0	4
Mr D Richmond*	5	7
Mr D Richmond	7	7
Mr P Smith, Headteacher, Accounting Officer	5	6
Mrs C Walkden	3	4
Mr G Wood	6	7
Mr M Young	3	4

The Governing Body composition changed during the period 1st September 2012 to 31st October 2013 as noted on page 3.

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNANCE STATEMENT (continued)

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The Governor Body delegated responsibility for functions set out in approved Terms of Reference to a number of Governing Body appointed Committees and Working Groups. The key ones until 1st May 2013 were: Finance Planning; Pay; Student Admissions and Welfare; Curriculum; Premises, Health and Safety; and, Marketing and Communications. The key ones since 1st May 2013 were: Finance, Resources and Premises; Pay; Student Welfare and Catholicity; and, Teaching, Learning and Achievement. Formal reports are presented to the routine Governing Body meetings that take place towards the end of each term. Details of the business undertaken and attendance are contained within the related minutes.

The Finance, Resources and Premises Committee is a sub-committee of the main Governing Body. Its purpose by means of appropriate delegated authority, is to assist the Governing Body in the proper stewardship of public funds and for ensuring economy, efficiency and effectiveness in their use to achieve value for money. The Committee ensures that it uses its discretion and delegated authority reasonably and takes into account any and all relevant guidance on accountability or propriety.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr K Allen	2	2
Mr A Battiston	0	2
Mr R Belcher (Chair)	4	4
Mr P Bond	2	2
Mr P Booth	2	2
Mr M Egan (Interim Headteacher)	2	2
Mrs T Gibbons	4	4
Bro Bernard Hayward	2	3
Mr P Kazmierczak	4	4
Mr D Richmond	3	4
Mr D Todd (Headteacher)	2	2
Mrs J Wyatt	4	4

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Peter's Catholic Voluntary Academy Trust for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. The Finance, Resources and Premises Committee has responsibility for the cash position of the School, financial risk management and the system of internal control. Monthly monitoring of the School's management accounts is undertaken by the Chair of the Finance, Resources and Premises Committee who reports the outcome of his reviews to the full Committee.

### Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the academy is exposed, on a termly basis, 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's significant risks, that has been in place for the year 1 September 2012 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 with aspects of detailed scrutiny undertaken, on a termly basis, by the Finance, Resources and Premises Committee of the Governing Body.

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## GOVERNANCE STATEMENT (continued)

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### The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews of reports by the Finance, Resources and Premises Committee 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 Governors have appointed Mr James Paget of Paget Reid York, Chartered Certified Accountants and Registered Auditors, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy'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.

The School confirms that the RO function has been fully delivered in line with the Education Funding Agency's (EFA) requirements. There have been no material control issues arising as a result of the RO's work. Any issues arising have resulted in the production of an Action Plan to ensure that they are addressed. Such issues have been monitored by Governors with supporting evidence of delivery as may be required.

### Review of Effectiveness


As Accounting Officer, the Headteacher 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 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 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 Finance Planning Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 4 December 2013 and signed on their behalf, by:

  
.....  
Mr D J Todd  
Headteacher and Accounting Officer

  
.....  
Mrs J Wyatt  
Chair of the Governing Body and  
Voluntary Academy Trust

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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As Accounting Officer of St Peter's Catholic Voluntary Academy Trust I have considered my responsibility to notify the academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012).

I confirm that I and the academy Governing Body are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2012).

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



.....  
**Mr D J Todd**  
Headteacher and Accounting Officer

Date: 4 December 2013



# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **GOVERNORS' RESPONSIBILITIES STATEMENT**

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

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The Governors (who act as governors of St Peter's Catholic Voluntary Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

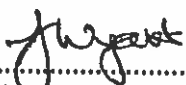
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 Governors 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 Governors 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 Governors 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 Governing Body on 4 December 2013 and signed on its behalf by:

  
.....

**J Wyatt**  
**Chair of the Governing Body and Voluntary Academy Trust**

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**

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We have audited the financial statements of St Peter's Catholic Voluntary Academy Trust for the year 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) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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

#### **Respective responsibilities of Governors and auditors**

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

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

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

In our opinion the financial statements:

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

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

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

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST  
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST PETER'S CATHOLIC  
VOLUNTARY ACADEMY TRUST**

---

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

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

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



Lesley Fox (Senior Statutory Auditor)

for and on behalf of

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

8 New Fields  
2 Stinsford Road  
Nuffield  
Poole  
Dorset  
BH17 0NF

Date: 30/12/13

# **ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST (A Company Limited by Guarantee)**

## **INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 6 November 2012 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 Peter's Catholic Voluntary Academy Trust during the year 1 September 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 Peter's Catholic Voluntary 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 Peter's Catholic Voluntary 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 Peter's Catholic Voluntary Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of St Peter's Catholic Voluntary Academy Trust's accounting officer and the reporting auditors**

The accounting officer is responsible, under the requirements of St Peter's Catholic Voluntary Academy Trust's funding agreement with the Secretary of State for Education dated 24 August 2011, and the Academies Financial Handbook extant from 1 September 2012, 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 year 1 September 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'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.

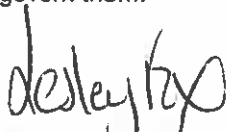
**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST  
(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO  
ST PETER'S CATHOLIC VOLUNTARY 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 year 1 September 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.



Lesley Fox (Senior Statutory Auditor)

for and on behalf of

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

8 New Fields  
2 Stinsford Road  
Nuffield  
Poole  
Dorset  
BH17 0NF

Date: 30/12/13

**ST PETER'S CATHOLIC VOLUNTARY 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 YEAR ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Transfer on conversion	3	-	-	-	-	(577,155)
Other voluntary income	3	5,149	-	-	5,149	274
Activities for generating funds	4	187,478	15,395	-	202,873	210,392
Investment income	5	2,018	-	-	2,018	967
Incoming resources from charitable activities	6	-	7,827,436	12,931	7,840,367	7,926,461
<b>Total incoming resources</b>		<b>194,645</b>	<b>7,842,831</b>	<b>12,931</b>	<b>8,050,407</b>	<b>7,560,939</b>
<b>Resources expended</b>						
Charitable activities	8	239,116	8,004,655	45,936	8,289,707	8,001,545
Governance costs	7	-	20,964	-	20,964	20,978
<b>Total resources expended</b>	9	<b>239,116</b>	<b>8,025,619</b>	<b>45,936</b>	<b>8,310,671</b>	<b>8,022,523</b>
<b>Net resources expended before revaluations</b>		<b>(44,471)</b>	<b>(182,788)</b>	<b>(33,005)</b>	<b>(260,264)</b>	<b>(461,584)</b>
Actuarial gains and losses on defined benefit pension schemes		-	(32,000)	-	(32,000)	(409,000)
<b>Net movement in funds for the year</b>		<b>(44,471)</b>	<b>(214,788)</b>	<b>(33,005)</b>	<b>(292,264)</b>	<b>(870,584)</b>
Total funds at 1 September 2012		110,484	(1,140,545)	159,477	(870,584)	-
<b>Total funds at 31 August 2013</b>		<b>66,013</b>	<b>(1,355,333)</b>	<b>126,472</b>	<b>(1,162,848)</b>	<b>(870,584)</b>

All activities relate to continuing operations.

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

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

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST

Registered number: 07739194

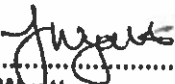
(A Company Limited by Guarantee)

## BALANCE SHEET

AS AT 31 AUGUST 2013

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	15		145,613		161,819
<b>Current assets</b>					
Stocks	16	2,020		7,625	
Debtors	17	124,165		291,103	
Cash at bank and in hand		621,833		480,303	
		<u>748,018</u>		<u>779,031</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(549,479)</u>		<u>(428,434)</u>	
<b>Net current assets</b>			<u>198,539</u>		<u>350,597</u>
<b>Total assets less current liabilities</b>			<u>344,152</u>		<u>512,416</u>
Defined benefit pension scheme liability	25	(1,507,000)		(1,383,000)	
<b>Net liabilities including pension scheme liabilities</b>			<u>(1,162,848)</u>		<u>(870,584)</u>
<b>Funds of the academy</b>					
Restricted funds:					
Restricted funds	19	151,667		242,455	
Restricted fixed asset funds	19	126,472		159,477	
		<u>278,139</u>		<u>401,932</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,507,000)</u>		<u>(1,383,000)</u>	
<b>Total restricted funds</b>			<u>(1,228,861)</u>		<u>(981,068)</u>
Unrestricted funds	19		66,013		110,484
<b>Total deficit</b>			<u>(1,162,848)</u>		<u>(870,584)</u>

The financial statements were approved by the Governors, and authorised for issue, on 4 December 2013 and are signed on their behalf, by:

  
 .....  
 Mrs J Wyatt  
 Chair of Governors

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

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

	Note	31 August 2013 £	Period ended 31 August 2012 £
Net cash flow from operating activities	21	169,242	124,328
Returns on investments and servicing of finance	22	2,018	967
Capital expenditure and financial investment	22	(29,730)	(37,460)
Cash transferred on conversion to an Academy Trust		-	392,468
<b>Increase in cash in the year</b>		<u>141,530</u>	<u>480,303</u>

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

	31 August 2013 £	Period ended 31 August 2012 £
Increase in cash in the year	141,530	480,303
<b>Movement in net funds in the year</b>	141,530	480,303
Net funds at 1 September 2012	480,303	-
<b>Net funds at 31 August 2013</b>	<u>621,833</u>	<u>480,303</u>

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



**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

---

**1. Accounting Policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**1.2 Going concern**

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

**1.3 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by Education Funding Agency 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 Education Funding Agency.

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

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST

## (A Company Limited by Guarantee)

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

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#### 1. Accounting Policies (continued)

##### 1.4 Incoming resources

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

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

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

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

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

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.

##### 1.5 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's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting Policies (continued)**

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

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

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 not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	15% Straight Line
Fixtures and fittings	-	10% Straight Line
Computer equipment	-	33% Straight Line

**1.7 Operating leases**

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

**1.8 Stocks**

All stocks are valued at the lower of cost or net realisable value.

**1.9 Taxation**

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

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST

## (A Company Limited by Guarantee)

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

---

#### 1. Accounting Policies (continued)

##### 1.10 Pensions

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

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

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

##### 1.11 Comparatives

The comparatives figures have been restated for the split between direct costs and support costs in line with the EFA guidance in the Academies Accounts Direction.

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

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2013 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended 31 August 2013.

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**3. Voluntary income**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Transfer from Local Authority on conversion	-	-	-	(577,155)
Donations	5,149	-	5,149	274
Voluntary income	5,149	-	5,149	(576,881)

**4. Activities for generating funds**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Catering income	147,542	-	147,542	127,686
Other income	39,936	15,395	55,331	82,706
	187,478	15,395	202,873	210,392

**5. Investment income**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Short term deposits	2,018	-	2,018	967

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	7,464,964	7,464,964	7,604,602
Start up grants	-	-	-	25,000
Other DfE/EFA grants	-	212,440	212,440	237,998
	<u>-</u>	<u>7,677,404</u>	<u>7,677,404</u>	<u>7,867,600</u>
<b>Other government grants</b>				
Individual pupil funding	-	150,032	150,032	27,912
	<u>-</u>	<u>150,032</u>	<u>150,032</u>	<u>27,912</u>
<b>DfE/EFA capital grants</b>				
Devolved formula capital allocations	-	12,931	12,931	30,949
	<u>-</u>	<u>12,931</u>	<u>12,931</u>	<u>30,949</u>
	<u>-</u>	<u>7,840,367</u>	<u>7,840,367</u>	<u>7,926,461</u>

**7. Governance costs**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Governance Auditors' remuneration	-	6,250	6,250	6,550
Governance Auditors' non audit costs	-	2,000	2,000	1,500
Legal and professional	-	-	-	3,081
Support costs - Governance	-	12,714	12,714	9,847
	<u>-</u>	<u>20,964</u>	<u>20,964</u>	<u>20,978</u>

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**8. Direct costs**

	Unrestricted £	Restricted £	Total 2013 £	Total 2012 £
<b>Teaching and educational support staff</b>				
Wages and salaries	-	4,331,226	4,331,226	4,081,176
National insurance	-	355,671	355,671	398,679
Pension costs	-	639,858	639,858	775,488
Sub total	-	5,326,755	5,326,755	5,255,343
Examination fees	-	159,154	159,154	161,978
Educational supplies	-	191,312	191,312	235,362
Technology costs	-	137,526	137,526	30,766
Other direct costs	-	281,551	281,551	160,769
FRS 17 pension costs	-	45,000	45,000	46,000
Total	-	6,141,298	6,141,298	5,890,218

**Support costs**

	Unrestricted £	Restricted £	Total 2013 £	Total 2012 £
<b>Wages and salaries</b>				
Wages and salaries	88,613	1,040,137	1,128,750	1,445,365
National insurance	1,797	50,049	51,846	9,526
Pension costs	13,954	198,469	212,423	18,721
Sub total	104,364	1,288,655	1,393,019	1,473,612
Depreciation	-	45,936	45,936	36,465
Technology costs	-	15,266	15,266	18,057
Maintenance of premises and equipment	-	140,039	140,039	86,791
Cleaning	-	121,847	121,847	116,772
Rates	-	52,862	52,862	17,629
Energy costs	-	95,832	95,832	92,008
Insurance	-	46,460	46,460	40,167
Catering	134,752	-	134,752	114,832
Other support costs	-	102,396	102,396	114,994
Total	239,116	1,909,293	2,148,409	2,111,327

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**9. Analysis of resources expended by expenditure type**

	Staff costs 2013 £	Other costs 2013 £	Total 2013 £	Total 2012 £
Direct costs	5,326,755	814,543	6,141,298	5,890,218
Support costs	1,393,019	755,390	2,148,409	2,111,327
<b>Charitable activities</b>	<b>6,719,774</b>	<b>1,569,933</b>	<b>8,289,707</b>	<b>8,001,545</b>
<b>Governance</b>	<b>-</b>	<b>20,964</b>	<b>20,964</b>	<b>20,978</b>
	<b>6,719,774</b>	<b>1,590,897</b>	<b>8,310,671</b>	<b>8,022,523</b>

**10. Net resources expended**

This is stated after charging:

	31 August 2013 £	Period ended 31 August 2012 £
Depreciation of tangible fixed assets: - owned by the charity	45,936	36,465
Auditors' remuneration	6,250	6,550
Auditors' remuneration - non-audit	2,000	1,500
Operating leases	40,718	42,330



**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**11. Staff costs**

Staff costs were as follows:

	31 August 2013 £	Period ended 31 August 2012 £
Wages and salaries	5,459,976	5,526,541
Social security costs	407,517	408,205
Other pension costs (Note 25)	852,280	794,208
	<u>6,719,773</u>	<u>6,728,954</u>
Supply teacher costs	113,694	17,076
	<u>6,833,467</u>	<u>6,746,030</u>

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

	31 August 2013 No.	Period ended 31 August 2012 No.
Teachers	110	115
Educational support	30	27
Other support	31	32
	<u>171</u>	<u>174</u>

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

	31 August 2013 No.	Period ended 31 August 2012 No.
In the band £60,001 - £70,000	2	0
In the band £70,001 - £80,000	1	3
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0
	<u>4</u>	<u>4</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2012, pension contributions for these staff amounted to £42,543 (2012 - £42,916).

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**12. Governors' remuneration and expenses**

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

	<b>31 August 2013</b>	<b>Period ended 31 August 2012</b>
	£	£
D Todd (Principal and Governor)	90,000-95,000	80,000-85,000
R Dixon (Staff Governor)	55,000-60,000	55,000-60,000
P Hubbert (Staff Governor)	55,000-60,000	55,000-60,000
G Wood (Staff Governor)	15,000-20,000	15,000-20,000

During the year, no Governors received any reimbursement of expenses (2012 - £NIL).

**13. Governors' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £960 (2012 - £932).

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

**14. Other finance income**

	<b>31 August 2013</b>	<b>Period ended 31 August 2012</b>
	£	£
Expected return on pension scheme assets	64,000	59,000
Interest on pension scheme liabilities	(109,000)	(105,000)
	<u>(45,000)</u>	<u>(46,000)</u>

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**15. Tangible fixed assets**

	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2012	5,195	97,569	95,520	198,284
Additions	-	8,592	21,138	29,730
At 31 August 2013	<u>5,195</u>	<u>106,161</u>	<u>116,658</u>	<u>228,014</u>
<b>Depreciation</b>				
At 1 September 2012	779	10,146	25,540	36,465
Charge for the year	779	10,254	34,903	45,936
At 31 August 2013	<u>1,558</u>	<u>20,400</u>	<u>60,443</u>	<u>82,401</u>
<b>Net book value</b>				
At 31 August 2013	<u>3,637</u>	<u>85,761</u>	<u>56,215</u>	<u>145,613</u>
At 31 August 2012	<u>4,416</u>	<u>87,423</u>	<u>69,980</u>	<u>161,819</u>

The Land and buildings of the Academy Trust are held by the Catholic Diocese of Portsmouth and the De La Salle and are not included within St Peter's Catholic Voluntary Academy Trust accounts.

**16. Stocks**

	2013 £	2012 £
Catering	1,583	3,096
Other	437	4,529
	<u>2,020</u>	<u>7,625</u>

**17. Debtors**

	2013 £	2012 £
Trade debtors	10,650	109,706
VAT recoverable	39,387	25,841
Prepayments and accrued income	74,128	155,556
	<u>124,165</u>	<u>291,103</u>

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade creditors	185,812	139,672
Other creditors	224,564	226,990
Accruals and deferred income	139,103	61,772
	<u>549,479</u>	<u>428,434</u>
		<b>£</b>
<b>Deferred income</b>		
Deferred income inherited		43,202
Resources deferred during the year		112,079
Amounts released from previous years		(43,202)
Deferred income at 31 August 2013		<u>112,079</u>

At the balance sheet date the Academy Trust was holding funds received in advance for the Growth funding grant from Bournemouth Borough Council of £93,976 and £18,103 for EFA Capital Grant.

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**19. Statement of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>					
General Funds	110,484	194,645	(239,116)	-	66,013
<b>Restricted funds</b>					
General Annual Grant (GAG)	152,000	7,464,964	(7,512,154)	-	104,810
Other DfE/EFA Grants	20,039	182,371	(202,410)	-	-
Other Government Grants	23,163	150,032	(133,339)	-	39,856
Other Restricted	47,253	45,464	(85,716)	-	7,001
Pension reserve	(1,383,000)	-	(92,000)	(32,000)	(1,507,000)
	<u>(1,140,545)</u>	<u>7,842,831</u>	<u>(8,025,619)</u>	<u>(32,000)</u>	<u>(1,355,333)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	159,477	12,931	(45,936)	-	126,472
Total restricted funds	<u>(981,068)</u>	<u>7,855,762</u>	<u>(8,071,555)</u>	<u>(32,000)</u>	<u>(1,228,861)</u>
Total of funds	<u><u>(870,584)</u></u>	<u><u>8,050,407</u></u>	<u><u>(8,310,671)</u></u>	<u><u>(32,000)</u></u>	<u><u>(1,162,848)</u></u>

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

**General Annual Grant (GAG)** - Funds received from the EFA under the General Annual Grant arrangements for the recurrent expenditure of the Academy as defined in the Funding Agreement.

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2013. Note 2 discloses whether the limited was exceeded.

**Other DfE/EFA Grants** - Specific grants received from the DfE and/or EFA for specified purposes.

**Other Government Grants** - General monies received for restricted educational purposes not forming part of the General Annual Grant or other DfE/EFA grants.

**Other Restricted** - General monies received for restricted educational purposes not forming part of Government grants.

**Pension Scheme Reserve** - This represents the negative reserve in respect of the LGPS scheme transferred at the conversion date.

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Summary of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	110,484	194,645	(239,116)	-	66,013
Restricted funds	(1,140,545)	7,842,831	(8,025,619)	(32,000)	(1,355,333)
Restricted fixed asset funds	159,477	12,931	(45,936)	-	126,472
	<u>(870,584)</u>	<u>8,050,407</u>	<u>(8,310,671)</u>	<u>(32,000)</u>	<u>(1,162,848)</u>

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

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	19,142	-	126,472	145,614	161,820
Current assets	51,487	696,532	-	748,019	779,030
Creditors due within one year	(4,616)	(544,865)	-	(549,481)	(428,434)
Provisions for liabilities and charges	-	(1,507,000)	-	(1,507,000)	(1,383,000)
	<u>66,013</u>	<u>(1,355,333)</u>	<u>126,472</u>	<u>(1,162,848)</u>	<u>(870,584)</u>

**21. Net cash flow from operations**

	31 August 2013 £	Period ended 31 August 2012 £
Net incoming resources before revaluations	(260,264)	(461,584)
Returns on investments and servicing of finance	(2,018)	(967)
Transfer from Local Authority on conversion	-	543,532
Fixed assets inherited on conversion	-	(160,824)
Depreciation of tangible fixed assets	45,936	4,169
Depreciation on assets on conversion	-	32,296
Decrease/(increase) in stocks	5,605	(7,625)
Decrease/(increase) in debtors	166,938	(291,103)
Increase in creditors	121,045	428,434
FRS 17 adjustments	92,000	38,000
<b>Net cash inflow from operations</b>	<u>169,242</u>	<u>124,328</u>

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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

	31 August 2013 £	Period ended 31 August 2012 £
<b>Returns on Investments and servicing of finance</b>		
Interest received	2,018	967
	<u>2,018</u>	<u>967</u>
	31 August 2013 £	Period ended 31 August 2012 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(29,730)	(37,460)
	<u>(29,730)</u>	<u>(37,460)</u>

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

	1 September 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand:	480,303	141,530	-	621,833
<b>Net funds</b>	<u>480,303</u>	<u>141,530</u>	<u>-</u>	<u>621,833</u>

**24. Members' Liability**

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

**25. Pension commitments**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset 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 March 2010.

Contributions amounting to £103,401 were payable to the schemes at 31 August 2013 (2012 - 128,444) and are included within creditors.

# ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST

## (A Company Limited by Guarantee)

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

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#### 25. Pension commitments (continued)

##### Teachers' Pension Scheme

###### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). 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.

###### 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.



**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**25. Pension commitments (continued)**

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.

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 is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**25. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £266,000, of which employer's contributions totalled £210,000 and employees' contributions totalled £56,000. The agreed contribution rates for future years are 17.4% for employers and employees contributions are banded according to their pay scale.

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

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

	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £	Expected return at 31 August 2012 %	Fair value at 31 August 2012 £
Equities	6.50	1,037,000	5.80	794,000
Government bonds	3.50	334,000	2.80	260,000
Property	4.50	134,000	3.80	117,000
Cash	0.50	84,000	0.50	65,000
Other	2.50	84,000	0.50	65,000
Total market value of assets		<u>1,673,000</u>		<u>1,301,000</u>
Present value of scheme liabilities		<u>(3,180,000)</u>		<u>(2,684,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,507,000)</u></u>		<u><u>(1,383,000)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	31 August 2013 £	Period ended 31 August 2012 £
Present value of funded obligations	(3,180,000)	(2,684,000)
Fair value of scheme assets	<u>1,673,000</u>	<u>1,301,000</u>
Net liability	<u><u>(1,507,000)</u></u>	<u><u>(1,383,000)</u></u>

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**25. Pension commitments (continued)**

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

	31 August 2013 £	Period ended 31 August 2012 £
Current service cost	(257,000)	(200,000)
Interest on obligation	(109,000)	(105,000)
Expected return on scheme assets	64,000	59,000
	<hr/>	<hr/>
Total operating charge	(302,000)	(246,000)
	<hr/>	<hr/>
Actual return on scheme assets	(191,000)	(122,000)
	<hr/>	<hr/>

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

	31 August 2013 £	Period ended 31 August 2012 £
Opening defined benefit obligation	2,684,000	-
Current service cost	257,000	200,000
Interest cost	109,000	105,000
Contributions by scheme participants	56,000	57,000
Actuarial losses	159,000	471,000
Benefits paid	(85,000)	2,000
Inherited	-	1,849,000
	<hr/>	<hr/>
Closing defined benefit obligation	3,180,000	2,684,000
	<hr/>	<hr/>

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**25. Pension commitments (continued)**

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

	31 August 2013 £	Period ended 31 August 2012 £
Opening fair value of scheme assets	1,301,000	-
Expected return on assets	64,000	59,000
Actuarial gains and (losses)	127,000	62,000
Contributions by employer	210,000	208,000
Contributions by employees	56,000	57,000
Benefits paid	(85,000)	2,000
Inherited	-	913,000
	<u>1,673,000</u>	<u>1,301,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £441,000 (2012 - £409,000).

The academy expects to contribute £NIL to its Defined Benefit Pension Scheme in 2014.

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

	2013	2012
Equities	62.00 %	61.00 %
Government bonds	20.00 %	20.00 %
Property	8.00 %	9.00 %
Cash	5.00 %	5.00 %
Other	5.00 %	5.00 %

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

	2013	2012
Discount rate for scheme liabilities	4.70 %	3.90 %
Rate of increase in salaries	4.90 %	3.90 %
Rate of increase for pensions in payment / inflation	2.90 %	1.90 %
Inflation assumption (CPI)	2.90 %	1.90 %

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

	2013	2012
Retiring today		
Males	20.1	20.0
Females	24.1	24.0
Retiring in 20 years		
Males	22.1	22.0
Females	26.0	25.9

**ST PETER'S CATHOLIC VOLUNTARY ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**25. Pension commitments (continued)**

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2013 £	2012 £
Defined benefit obligation	(3,180,000)	(2,684,000)
Scheme assets	1,673,000	1,301,000
Deficit	<u>(1,507,000)</u>	<u>(1,383,000)</u>
Experience adjustments on scheme liabilities	(159,000)	(471,000)
Experience adjustments on scheme assets	<u>127,000</u>	<u>62,000</u>

**26. Operating lease commitments**

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

	2013 £	2012 £
<b>Expiry date:</b>		
Within 1 year	6,840	-
Between 2 and 5 years	<u>33,878</u>	<u>42,330</u>

**27. Related party transactions**

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

The following related party transaction took place in the period of account:

The Land and buildings of the Academy Trust are held by the Catholic Diocese of Portsmouth and the De La Salle. The Academy has use of the land and buildings on a rent free basis.

