

St Barnabas Catholic Academy Trust

Registered number: 08089246

Trustees' report and financial statements

For the year ended 31 August 2018

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

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

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	Rt Rev. PJ McKinney Rev. PJ Guest VG Rev. M Hardy
Trustees	K Daly, Chair (appointed 31 August 2018) P Bray (appointed 31 August 2018) C Caille (resigned 31 August 2018) A Cockram (appointed 12 January 2018, resigned 31 August 2018) A Glynne Jones, Head Teacher (resigned 31 August 2018) R Greatrix (resigned 31 August 2018) T Harding (appointed 31 August 2018) M Mannion (appointed 12 January 2018, resigned 31 August 2018) G McMahon (resigned 31 December 2017) S McClafferty, Head Teacher (resigned 31 August 2018) K O'Neill, Head Teacher (appointed 1 September 2017, resigned 31 August 2018) Fr D Palmer (appointed 1 January 2018, resigned 31 August 2018) A Recchia (appointed 1 February 2018, resigned 31 August 2018) K Rudyj (resigned 31 August 2018) M Shanahan (resigned 12 January 2018) N Stevenson (appointed 31 August 2018) C Toner, Head Teacher (resigned 31 August 2018)
Company registered number	08089246
Company name	St Barnabas Catholic Academy Trust
Principal and registered office	C/O The Trinity Catholic School Beechdale Road Aspley Nottingham Nottinghamshire NG8 3EZ
Company secretary	Mr DP Moore (appointed 31 August 2018) Mrs CM Vickerstaff (resigned 31 August 2018)
Chief Executive Officer	Mr JW McGeachie
Senior management team	Sean McClafferty, Head Teacher Ann Glynne-Jones, Head Teacher Celine Toner, Head Teacher Kerry O'Neil, Head Teacher
Independent auditor	Mazars LLP Chartered Accountants Statutory Auditor Park View House 58 The Ropewalk Nottingham NG1 5DW

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS
TRUSTEES AND ADVISERS**
FOR THE YEAR ENDED 31 AUGUST 2018

Advisers (continued)

Bankers

Lloyds plc
Nottingham
NG1 3DA

The Co-operative Bank
4-5 Exchange Walk
Nottingham
NG1 2NX

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' Report of St Barnabas Catholic Academy Trust (the Academy) for the year ended 31 August 2018. The Trustees confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

During the year, the Trust operated a secondary and three primary academies. On 1st September 2018 the academies within the Trust transferred to become part of the Our Lady of Lourdes Catholic Multi-Academy Trust, which now comprises four secondary and seventeen primary academies in Nottingham and Nottinghamshire.

The academies within the St Barnabas Catholic Academy Trust had a combined pupil capacity of 1965, and had a roll of 1969, in the school census on 18 January 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a charitable company limited by guarantee and was set up by a Memorandum of Association on 30 May 2012. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees act as the Trustees for the charitable activities of St Barnabas Catholic Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as St Barnabas Catholic Academy Trust).

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

Members' Liability

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

Trustees' Indemnities

The Governors have liability insurance with Zurich Municipal effective date 1st July 2017. There is a limit of indemnity of £2,000,000.

ST BARNABAS CATHOLIC ACADEMY TRUST

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Principal activities

In accordance with the Articles of Association of the Trust, the principal activities of the Trust are defined by its objects, namely:

The establishing, maintaining, carrying on, managing and developing of Catholic schools in the United Kingdom conducted in accordance with the principles, and subject to the regulations and discipline of the Catholic Church; and subject to the approval of the Diocesan Bishop and as purely ancillary to the above, the establishing, maintaining, carrying on, managing and developing of other schools in the United Kingdom.

Promoting for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Academies in the Trust also engage in activities which promote the Roman Catholic faith and works as determined by the universal and particular law of the Roman Catholic Church, including, but not limited to, the charitable purposes of the Church in any part of the world.

Method of Recruitment and Appointment or Election of Trustees

The Trust Board shall comprise of Directors of the Trust. The number of Trustees shall be not less than three, but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. All Trustees shall, upon their appointment or election and before exercising any duties as a Director, give a written undertaking to the Trustees and the Diocesan Bishop to uphold the Object of the Academy Trust.

The Company shall have the following Trustees:

- Foundation Directors appointed by the Diocesan Bishop. The number of Foundation Directors should at all times exceed the other Directors (including any co-opted Directors) by at least two
- The Principal/Head Teacher and Chair of the local governing body of each academy
- Directors appointed by the Directors through such process as they determine
- A minimum of two parent directors appointed by the Directors whether after election or each local governing body will include at least two Parent Local Governors
- Co-opted Directors

Further details on the appointment of Trustees are found in the Articles of Association.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees is on two levels, that of the Trust Board and the Local Governing Body of each constituent Academy. The broad policy depends on the level of existing experience. Where necessary, induction and training will be provided on all matters pertaining to the Academy operation, in particular to educational, legal and financial matters.

ST BARNABAS CATHOLIC ACADEMY TRUST

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Organisational Structure

The St Barnabas Catholic Academy Trust is a Multi Academy Trust comprising of four constituent academies, namely:

- Our Lady of Perpetual Succour Catholic Primary School
- St Mary's Catholic Primary School
- St Teresa's Catholic Primary School
- The Trinity Catholic School, A Voluntary Academy

Each of these schools before conversion to Academy status was a Voluntary Aided School in the Trusteeship of the Roman Catholic Diocese of Nottingham. The Diocesan Board of Directors gave its consent to convert to Academy status after careful consideration of the issues involved. The Articles of Association allow for the Bishop of Nottingham to appoint Foundation Directors to the Trust, ensuring that the teachings of the Roman Catholic faith are upheld by the constituent academies of the Multi Academy Trust.

Each constituent Academy has a Local Governing Body to which the Board of Directors delegates power via the approved Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

The pay of the Headteachers, Deputy Head Teachers, Assistant Head Teachers and Teachers is by reference to the Standard Teacher's Pay and Conditions document and in accordance with performance management process. The setting of support staff including key HR, Finance and IT roles is in accordance with the National Joint Council pay scales.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	1
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	1
Total pay bill	9,118
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	85 %
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ST BARNABAS CATHOLIC ACADEMY TRUST (A Company Limited by Guarantee)

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

Related Parties and other Connected Charities and Organisations

St Barnabas Catholic Academy Trust is not formally linked to any other organisation.

OBJECTIVES AND ACTIVITIES

Objectives, strategies and activities

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

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

Each constituent Academy has provided a summary of its performance in the last year:

Secondary

The Trinity Catholic School

Progress 8 (Overall)	0.02
Progress 8 (English)	0.05
Progress 8 (Maths)	-0.17
Attainment 8	52
Attainment 8 (English)	55
Attainment 8 (Maths)	50
% English and Maths 4+	80
% English and Maths 5+	51

Primary

	Our Lady of Perpetual Succour Catholic Primary School	St Mary's Catholic Primary School	St Teresa's Catholic Primary School
KS2 Attainment - Reading	81%	86%	95%
KS2 Attainment - Writing	88%	79%	92%
KS2 Attainment - Maths	88%	86%	97%
KS2 Attainment - RWM	81%	75%	90%
KS2 Progress - Reading	0.5	3.4	3.7
KS2 Progress - Writing	1.6	0.4	1.9
KS2 Progress - Maths	0.3	2.1	3.3

ST BARNABAS CATHOLIC ACADEMY TRUST

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Public benefit

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's objectives and aims and in planning future activities for the year. The Directors consider that the Trust's aims are demonstrably to the public benefit.

ACHIEVEMENTS AND PERFORMANCE

Key performance Indicators

The Academy Trust's key performance indicators for the year were:

Financial

- A year end balance on restricted and unrestricted funds (excluding Pension and Fixed Asset reserves) equivalent to 60 days of the Academy Trusts total annual operating expenditure.
- The Academy Trusts total annual expenditure on staff costs (excluding supply) is 75% of its total incoming resources (excluding capital grants).
- The Academy Trust spends between 95% and 100% of its total incoming resources (excluding capital grants) within the year.

Going Concern

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

FINANCIAL REVIEW

The Academy Trust received the majority of its recurring funding in the form of grants direct from the Education and Skills Funding Agency (ESFA) with monthly instalments paid to each Academy.

During the year ended 31 August 2018, as shown by note 7, the Trust's total expenditure on operations was £12,056,106, funded by recurrent grant funding of £11,040,600 and other income of £681,750. Each Academy within the Trust has invested its entire recurrent grant funding in line with the principal objective of offering an outstanding Catholic education to all of its students.

Reserves Policy

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

ST BARNABAS CATHOLIC ACADEMY TRUST

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Investment Policy

The Trust aims to invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these cash funds. Cash deposits relating to amounts owned by the Trust may only be held in UK clearing banks unless specific approval is given by the Trustees.

All investment decisions are made by the Trusts' Investment Committee and are made with consideration for the Catholic nature of the Academy Trust.

Principal Risks and Uncertainties

Risk Management

The Trustees are responsible for identifying the risks faced by the Academy Trust, establishing procedures to manage these risks, and ensuring that employees are aware of those procedures and of the implications in failing to execute them. At each meeting of the Audit Committee, the Trustees review and update a centralised Risk Register, delegating the day to day management of risk in each of the constituent academies to the Local Governing Bodies. Risk management processes and practices are reviewed annually at each Academy.

Principal risks and actions to mitigate these risks

- Failure of the Academy Trust to recruit sufficient learners.
Mitigation: The Academy Trust operates a clear admissions policy alongside a strong marketing campaign to ensure that each of its constituent schools is full or extremely close to capacity.
- Uncertainty around central government funding.
Mitigation: The Academy Trust has in place a reserve fund to mitigate the impact of sudden changes to funding arrangements. The risk is minimised through careful planning and regular attendance at EFA and Local Authority led briefings.
- Failure of the Academy Trust to comply with the requirements of the school and academies sector.
Mitigation: The Academy Trusts Accounting Officer and Chief Finance Officer monitor the financial operations of the trust on a monthly basis to ensure its operations are in line with the Academies Financial handbook published by the Education and Skills Funding Agency. The Academy Trust has engaged the services of Smith Cooper Limited to complete internal audit visits to each school to ensure compliance.

Fundraising

Funding for the operation and activities of the school is provided in the main by Government or other grants. There are minimal fundraising activities carried out and are minor in nature and carried out within the school community to raise funds for an activity within the school.

PLANS FOR FUTURE PERIODS

Future developments

On the 1 September 2018, the academies in the Trust transferred to the Our Lady of Lourdes Catholic Multi-Academy Trust (formerly known as South Nottingham Catholic Academy Trust). The Our Lady of Lourdes Catholic Multi-Academy Trust expanded to incorporate 21 Catholic Schools across Nottingham and Nottinghamshire. The expanded Trust is part of a Diocesan wide plan to enable all schools to provide excellent educational standards, within a strong and supportive network, and to ensure that the Catholic education system in the Diocese of Nottingham is protected and developed for future generations of children. The new large MAT will be better able to deliver school to school support and through economies of scale be better able to deliver services to the schools in the CMAT.

ST BARNABAS CATHOLIC ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no funds held as custodian on behalf of others.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed of specific matters directly by management.

The Academy have implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Health & Safety Policy

In accordance with the Academy's Equal Opportunities Policy, the Academy has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

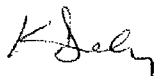
Full details of these policies are available from the Academy's offices.

AUDITOR

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

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

This report, incorporating the Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 20 December 2018 and signed on the board's behalf by:



.....
Mr KM Daly
Chair of Trustees

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Governance

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

Trustee	Meetings attended	Out of a possible
K Daly, Chair (appointed 31 August 2018), Chair	0	0
P Bray (appointed 31 August 2018)	0	0
C Caille	4	4
A Cockram (appointed 12 January 2018)	1	1
A Glynne Jones	3	4
R Greatrix	4	4
T Harding (appointed 31 August 2018)	0	0
M Mannion (appointed 12 January 2018)	1	1
G McMahon	4	4
S McClafferty, Head Teacher	4	4
K O'Neill (appointed 1 September 2017), Head Teacher	4	4
Fr D Palmer (appointed 1 January 2018)	1	1
A Recchia (appointed 1 February 2018)	1	1
K Rudyj	1	4
M Shanahan	3	4
N Stevenson (appointed 31 August 2018)	0	0
C Toner	4	4
N Stevenson	0	0
C Toner, Head Teacher	0	0

Governance reviews:

Each local governing body undertakes an annual skills audit to ensure the needs of the school are met and that the governing body is appropriately skilled to hold each individual school to account.

As part of the composition of the Executive Committee, the Bishop has the ability to appoint his own Trustees, thus ensuring the Catholic Foundation of the Academy Trust and its constituent academies.

The appointment of new directors to this Board has been in accordance with the Articles of Association. The membership has a broad expertise in education and finance ensuring that the objects of the Trust are being met at all levels.

ST BARNABAS CATHOLIC ACADEMY TRUST

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GOVERNANCE STATEMENT (continued)

Review of Value for Money

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

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

- A Quality Assurance System to measure results, monitor target academic achievement and calculate improvements throughout the Trust. The results of these assessments will be used to formulate the School Improvement Plan and the Annual Budget for the following academic year.
- An ongoing analysis and review of attainment which form the basis of how the school deploys its assets for the maximising of educational attainment at the best value possible.
- The Governors and senior leaders in each school review the use of financial assets on a termly basis.
- A commitment to internal control including:
 - Ensuring that all action plans are effectively budgeted
 - New resource procurement is subject to competition.
 - Training is given to staff on effective capitation bidding within each school.
 - Monitoring the effectiveness of major purchases by the Local Governing Body in line with raising standards and compliance with the School Improvement Plan.
 - Ensuring each Local Governing Body is fully involved through the reporting of the Finance and that all Governors are kept informed of the financial position through termly reports.
 - Full cooperation of the business management function with the appointed internal auditors.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Barnabas Catholic Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

ST BARNABAS CATHOLIC ACADEMY TRUST

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GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed Duncan & Toplis Limited, the external auditor, to perform additional checks.

The role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing on purchase systems
- testing of control account/ bank reconciliations

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

Duncan & Toplis delivered their schedule of work as planned. There were no material control issues arising as a result of the appointee's work.

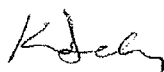
Review of Effectiveness

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

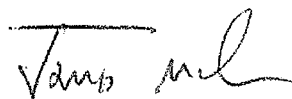
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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



.....
Mr KM Daly
Chair of Trustees



.....
Mr JW McGeachie
Accounting Officer

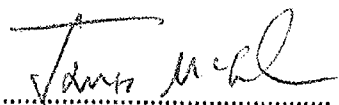
ST BARNABAS CATHOLIC ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Barnabas Catholic Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



.....
Mr JW McGeachie
Accounting Officer

Date: 20 December 2018

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 20 December 2018 and signed on its behalf by:


.....
Mr KM Daly
Chair of Trustees

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF ST BARNABAS CATHOLIC ACADEMY TRUST**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

Conclusions relating to going concern

These financial statements have not been prepared on a going concern basis for the reason set out in note 1.2 to the financial statements. We have nothing to report in respect of our conclusions relating to going concern as the accounts have been appropriately prepared on a basis other than going concern and the appropriate disclosures have been made. Our opinion is not modified in respect of this matter.

ST BARNABAS CATHOLIC ACADEMY TRUST

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST BARNABAS CATHOLIC ACADEMY TRUST

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report including the incorporated strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report including the incorporated strategic report.

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

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

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST BARNABAS CATHOLIC ACADEMY TRUST

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 14, the Trustees (who are directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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

David Hoose

David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 20/12/18

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST BARNABAS CATHOLIC ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 2 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Barnabas Catholic Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Barnabas Catholic Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of St Barnabas Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 30 May 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken from our conclusion includes:

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

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: *20/12/18*

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations and capital grants	2	192,007	-	136,320	328,327	151,892
Charitable activities	3	333,731	10,706,869	-	11,040,600	10,843,121
Other trading activities	4	154,837	197,232	-	352,069	315,710
Investments	5	1,354	-	-	1,354	1,413
Total income		681,929	10,904,101	136,320	11,722,350	11,312,136
Expenditure on:						
Raising funds	7	168,307	215,747	-	384,054	341,038
Charitable activities	8	431,624	10,938,232	302,196	11,672,052	12,146,865
Total expenditure		599,931	11,153,979	302,196	12,056,106	12,487,903
Net income / (expenditure) before transfers		81,998	(249,878)	(165,876)	(333,756)	(1,175,767)
Transfers between Funds	15	-	(584,659)	584,659	-	-
Net income / (expenditure) before other recognised gains and losses		81,998	(834,537)	418,783	(333,756)	(1,175,767)
Actuarial gains on defined benefit pension schemes	20	-	993,000	-	993,000	454,000
Net movement in funds		81,998	158,463	418,783	659,244	(721,767)
Reconciliation of funds:						
Total funds brought forward		192,963	(2,719,979)	5,276,072	2,749,056	3,470,823
Total funds carried forward		274,961	(2,561,516)	5,694,855	3,408,300	2,749,056

ST BARNABAS CATHOLIC ACADEMY TRUST

Registered number: 08089246

(A Company Limited by Guarantee)**BALANCE SHEET****AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	12		5,694,855		5,276,072
Current assets					
Debtors	13	835,048		280,294	
Cash at bank and in hand		1,366,491		2,163,283	
		<u>2,201,539</u>		<u>2,443,577</u>	
Creditors: amounts falling due within one year	14	(671,094)		(658,593)	
Net current assets			1,530,445		1,784,984
Total assets less current liabilities			7,225,300		7,061,056
Defined benefit pension scheme liability	20		<u>(3,817,000)</u>		<u>(4,312,000)</u>
Net assets including pension scheme liabilities			<u>3,408,300</u>		<u>2,749,056</u>
Funds of the academy¹					
Restricted income funds:					
Restricted income funds	15	1,255,484		1,592,021	
Restricted fixed asset funds	15	5,694,855		5,276,072	
Restricted income funds excluding pension liability		6,950,339		6,868,093	
Pension reserve		<u>(3,817,000)</u>		<u>(4,312,000)</u>	
Total restricted income funds			3,133,339		2,556,093
Unrestricted income funds	15		274,961		192,963
Total funds			<u>3,408,300</u>		<u>2,749,056</u>

The financial statements on pages 20 to 44 were approved by the Trustees, and authorised for issue, on 20 December 2018



Mr KM Daly
Chair of Trustees

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(213,488)	3,855
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,354	1,413
Purchase of tangible fixed assets		(720,978)	(1,255,266)
Capital grants from DfE Group		136,320	100,095
Net cash used in investing activities		(583,304)	(1,153,758)
Change in cash and cash equivalents in the year		(796,792)	(1,149,903)
Cash and cash equivalents brought forward		2,163,283	3,313,186
Cash and cash equivalents carried forward	19	1,366,491	2,163,283

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

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

St Barnabas Catholic Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

On 1 September 2018 the Academy Trust's operations were transferred to Our Lady of Lourdes Catholic Multi Academy Trust and its funding agreement ceased on this date. As a result these financial statements have not been prepared on a going concern basis.

No material adjustments were required in preparing these financial statements not under the going concern basis.

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1. Accounting Policies (continued)

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

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

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies (continued)

1.4 Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long leasehold buildings	-	2 % straight line
Leasehold improvements	-	2 % straight line
Furniture and fixtures	-	20 % straight line
Motor vehicles	-	25 % straight line
Computer equipment	-	25 % straight line

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

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies (continued)

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

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.8 Leased assets

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

1.9 Taxation

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies (continued)

1.10 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. *Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

ST BARNABAS CATHOLIC ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies (continued)

1.12 Fund accounting

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

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

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

1.13 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA and other funds. In respect of bursar funds, payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 23.

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Trustees consider that there are no critical areas of judgement with the exception of the pension valuation noted above.

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

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

2. Income from donations and capital grants

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	192,007	-	-	192,007	91,797
Capital grants	-	-	136,320	136,320	60,095
	<u>192,007</u>	<u>-</u>	<u>136,320</u>	<u>328,327</u>	<u>151,892</u>
Total donations and capital grants	192,007	-	136,320	328,327	151,892
	<u>192,007</u>	<u>-</u>	<u>136,320</u>	<u>328,327</u>	<u>151,892</u>
Total 2017	51,797	-	100,095	151,892	
	<u>51,797</u>	<u>-</u>	<u>100,095</u>	<u>151,892</u>	

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	9,476,537	9,476,537	9,575,328
Other DfE Group grants	-	672,177	672,177	640,584
	<u>-</u>	<u>10,148,714</u>	<u>10,148,714</u>	<u>10,215,912</u>
Other Government grants				
Local authority grants	-	558,155	558,155	334,309
	<u>-</u>	<u>558,155</u>	<u>558,155</u>	<u>334,309</u>
Other income from the academy trust's educational operations	333,731	-	333,731	292,900
	<u>333,731</u>	<u>-</u>	<u>333,731</u>	<u>292,900</u>
	<u>333,731</u>	<u>10,706,869</u>	<u>11,040,600</u>	<u>10,843,121</u>
Total 2017	292,900	10,550,221	10,843,121	
	<u>292,900</u>	<u>10,550,221</u>	<u>10,843,121</u>	

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

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

4. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	4,065	-	4,065	8,415
Income from other charitable activities	-	175,129	175,129	157,730
Income from ancillary trading activities	150,772	22,103	172,875	149,565
	<u>154,837</u>	<u>197,232</u>	<u>352,069</u>	<u>315,710</u>
Total 2017	<u>157,980</u>	<u>157,730</u>	<u>315,710</u>	

5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Short term deposits	1,354	-	1,354	1,413
	<u>1,413</u>	<u>-</u>	<u>1,413</u>	
Total 2017	<u>1,413</u>	<u>-</u>	<u>1,413</u>	

6. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	302,195	587,448
Auditor's remuneration - audit	15,065	14,625
Auditor's remuneration - other services	10,465	12,145
Operating lease rentals	30,971	15,054
	<u>358,696</u>	<u>629,272</u>

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

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

7. Expenditure

	Staff costs £	Premises £	Other costs £	Total 2018 £	Total 2017 £
Costs of activities for generating funds	-	-	384,054	384,054	341,038
Academy's educational operations					
- Direct costs	8,212,154	109,692	467,984	8,789,830	8,983,377
- Allocated support costs	905,962	645,064	1,331,196	2,882,222	3,163,488
Total	9,118,116	754,756	2,183,234	12,056,106	12,487,903

8. Charitable activities

	Total 2018 £	Total 2017 £
Direct costs - educational operations	8,789,830	8,983,377
Support costs - educational operations	2,882,222	3,163,488
Total	11,672,052	12,146,865

Support costs

	Total 2018 £	Total 2017 £
Support staff costs	905,962	845,573
Depreciation	192,504	485,506
Technology costs	20,752	36,379
Premises costs	645,064	644,401
Other support costs	876,768	932,678
Governance costs	241,172	218,951
Total	2,882,222	3,163,488

In 2017, of the total expenditure, £354,286 was to unrestricted funds and £12,133,617 was to restricted funds.

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9. Staff

a. Staff costs

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	6,627,430	6,740,103
Social security costs	616,997	641,559
Operating costs of defined benefit pension schemes	1,635,306	1,492,854
	<u>8,879,733</u>	<u>8,874,516</u>
Supply teacher costs	206,738	393,571
Staff restructuring costs	31,645	-
	<u><u>9,118,116</u></u>	<u><u>9,268,087</u></u>

Staff restructuring costs comprise:

	2018	2017
	£	£
Redundancy payments	<u>31,645</u>	<u>-</u>

b. Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2018	2017
	No.	No.
Teachers	128	137
Administration and support	153	178
Management	17	9
	<u>298</u>	<u>324</u>

c. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	0	1
In the band £110,001 - £120,000	1	0

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9. Staff costs (continued)

d. Key management personnel

The key management personnel of the academy trust comprise the senior management team and trustees page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £382,779 (2017: £398,557).

10. Trustees' remuneration and expenses

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

		2018 £	2017 £
Ann Glynne-Jones	Remuneration	80,000-85,000	75,000-80,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Geraldine Kelly	Remuneration	0	65,000-70,000
	Pension contributions paid	0	10,000-15,000
Celine Toner	Remuneration	60,000-65,000	55,000-60,000
	Pension contributions paid	10,000-15,000	5,000-10,000
John Dexter	Remuneration	0	60,000-65,000
	Pension contributions paid	0	5,000-10,000
Sean McClafferty	Remuneration	110,000-115,000	40,000-45,000
	Pension contributions paid	15,000-20,000	5,000-10,000
Kerry O'Neil	Remuneration	40,000-45,000	0
	Pension contributions paid	5,000-10,000	0

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL to no Trustees).

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was included within the full insurance cost.

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12. Tangible fixed assets

	Long leasehold land and buildings £	Improvts to building £	Motor vehicles £	Fixtures and fittings £	Computer equip £	Total £
Cost						
At 1 September 2017	288,620	4,973,461	20,556	2,079,765	761,007	8,123,409
Additions	-	341,671	-	287,018	92,289	720,978
At 31 August 2018	288,620	5,315,132	20,556	2,366,783	853,296	8,844,387
Depreciation						
At 1 September 2017	17,940	236,186	20,556	1,959,687	612,968	2,847,337
Charge for the year	3,472	106,220	-	99,947	92,556	302,195
At 31 August 2018	21,412	342,406	20,556	2,059,634	705,524	3,149,532
Net book value						
At 31 August 2018	267,208	4,972,726	-	307,149	147,772	5,694,855
At 31 August 2017	270,680	4,737,275	-	120,078	148,039	5,276,072

13. Debtors

	2018 £	2017 £
VAT recoverable	137,735	66,945
Other debtors	469,205	-
Prepayments and accrued income	228,108	213,349
	<u>835,048</u>	<u>280,294</u>

14. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	203,673	70,082
Other taxation and social security	153,350	160,272
Other creditors	137,265	138,182
Accruals and deferred income	176,806	290,057
	<u>671,094</u>	<u>658,593</u>

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14. Creditors: Amounts falling due within one year (continued)

	2018	2017
	£	£
Deferred income		
Deferred income at 1 September 2017	131,343	162,175
Resources deferred during the year	155,296	131,343
Amounts released from previous years	(131,343)	(162,175)
	<u>155,296</u>	<u>131,343</u>
Deferred income at 31 August 2018	<u>155,296</u>	<u>131,343</u>

Deferred income consists of the following:

£79k Universal Infant Free School Meals
£21k Additional Inclusion funding
£25k Level 5 High Needs funding
£3k SEN funding
£27k Other income received in advance

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15. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	192,963	681,929	(599,931)	-	-	274,961
Restricted funds						
General Annual Grant (GAG)	1,152,667	9,476,536	(8,951,734)	(584,659)	-	1,092,810
Pupil Premium	74,353	472,007	(477,091)	-	-	69,269
Other grants	365,001	955,558	(1,227,154)	-	-	93,405
Pension reserve	(4,312,000)	-	(498,000)	-	993,000	(3,817,000)
	(2,719,979)	10,904,101	(11,153,979)	(584,659)	993,000	(2,561,516)
Restricted fixed asset funds						
Transfer on conversion	2,374,016	-	(135,976)	-	-	2,238,040
DfE/ESFA capital grants	1,002,148	30,615	(57,400)	-	-	975,363
School Building Fund	1,119,876	105,705	(64,143)	-	-	1,161,438
Capital expenditure from GAG	780,032	-	(44,677)	584,659	-	1,320,014
	5,276,072	136,320	(302,196)	584,659	-	5,694,855
Total restricted funds	2,556,093	11,040,421	(11,456,175)	-	993,000	3,133,339
Total of funds	2,749,056	11,722,350	(12,056,106)	-	993,000	3,408,300

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

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

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15. Statement of funds (continued)

Transfers from restricted funds to restricted fixed asset funds relate to the movement of monies to purchase capital items.

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
The Trinity School	249,724	303,529
St Mary's Catholic Primary School	375,505	380,322
St Teresa Catholic Primary School	548,322	648,366
Our Lady of Perpetual Succour Catholic Academy	356,894	452,767
Total before fixed asset fund and pension reserve	1,530,445	1,784,984
Restricted fixed asset fund	5,694,855	5,276,072
Pension reserve	(3,817,000)	(4,312,000)
Total	<u>3,408,300</u>	<u>2,749,056</u>

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depn £	Total 2018 £	Total 2017 £
The Trinity School	5,256,799	539,592	317,075	1,060,793	7,174,259	7,489,442
St Mary's Catholic Primary School	877,545	77,371	37,133	269,880	1,261,929	1,282,904
St Teresa's Catholic Primary School Academy	1,284,694	164,530	134,262	477,692	2,061,178	1,978,996
Our Lady of Perpetual Succour Catholic Academy	793,116	124,469	67,038	271,922	1,256,545	1,149,113
	<u>8,212,154</u>	<u>905,962</u>	<u>555,508</u>	<u>2,080,287</u>	<u>11,753,911</u>	<u>11,900,455</u>

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

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	436,144	504,090	(354,286)	(392,985)	-	192,963
Restricted funds						
General Annual Grant (GAG)	1,511,757	9,575,328	(10,090,748)	156,330	-	1,152,667
Pupil Premium	72,610	444,532	(442,789)	-	-	74,353
Other grants	284,542	688,091	(607,632)	-	-	365,001
Pension reserve	(4,361,000)	-	(405,000)	-	454,000	(4,312,000)
	(2,492,091)	10,707,951	(11,546,169)	156,330	454,000	(2,719,979)
Restricted fixed asset funds						
Transfer on conversion	2,688,250	-	(314,234)	-	-	2,374,016
DfE/ESFA capital grants	1,107,467	60,095	(165,414)	-	-	1,002,148
School Building Fund	1,102,731	40,000	(22,855)	-	-	1,119,876
Capital expenditure from GAG	628,322	-	(84,945)	236,655	-	780,032
	5,526,770	100,095	(587,448)	236,655	-	5,276,072
Total restricted funds	3,034,679	10,808,046	(12,133,617)	392,985	454,000	2,556,093
Total of funds	3,470,823	11,312,136	(12,487,903)	-	454,000	2,749,056

16. Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

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NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	5,694,855	5,694,855
Current assets	274,961	1,926,578	-	2,201,539
Creditors due within one year	-	(671,094)	-	(671,094)
Provisions for liabilities and charges	-	(3,817,000)	-	(3,817,000)
	<u>274,961</u>	<u>(2,561,516)</u>	<u>5,694,855</u>	<u>3,408,300</u>

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	5,276,072	5,276,072
Current assets	192,963	2,250,614	-	2,443,577
Creditors due within one year	-	(658,593)	-	(658,593)
Provisions for liabilities and charges	-	(4,312,000)	-	(4,312,000)
	<u>192,963</u>	<u>(2,719,979)</u>	<u>5,276,072</u>	<u>2,749,056</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(333,756)	(1,175,767)
Adjustment for:		
Depreciation charges	302,195	587,448
Investment income	(1,354)	(1,413)
(Increase)/decrease in debtors	(554,754)	276,743
Increase in creditors	12,501	11,939
Capital grants from DfE and other capital income	(136,320)	(100,095)
Defined benefit pension scheme cost	498,000	405,000
Net cash (used in)/provided by operating activities	<u>(213,488)</u>	<u>3,855</u>

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

19. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	1,366,491	2,163,283
Total	<u>1,366,491</u>	<u>2,163,283</u>

20. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £135,873 were payable to the schemes at 31 August 2018 (2017 - 139,125) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

20. Pension commitments (continued)

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £809,902 (2017 - £813,767).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £383,000 (2017 - £359,000), of which employer's contributions totalled £294,000 (2017 - £271,000) and employees' contributions totalled £89,000 (2017 - £88,000). The agreed contribution rates for future years are 18% for employers and 5.5 - 7.5% for employees.

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

On 26 October 2018, the High Court handed down a judgement involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, ('GMP'). The Government will need to consider this outcome in conjunction with the Government's recent consultation on GMP indexation in public sector schemes before concluding on any changes required to LGPS schemes.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.70 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	22.7	22.6
Females	25.6	25.5
Retiring in 20 years		
Males	24.9	24.8
Females	28.0	27.7

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20. Pension commitments (continued)

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	(189,000)	(187,000)
Discount rate -0.1%	192,000	190,000
Mortality assumption - 1 year increase	286,000	281,000
Mortality assumption - 1 year decrease	(277,000)	(272,000)
Pension rate +0.1%	170,000	168,000
Pension rate -0.1%	(165,000)	(164,000)

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	3,076,000	2,782,000
Gilts	133,000	134,000
Bonds	500,000	507,000
Property	659,000	491,000
Cash	87,000	88,000
Other	319,000	205,000
Total market value of assets	4,774,000	4,207,000

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

	2018 £	2017 £
Current service cost	(641,000)	(582,000)
Past service cost	(41,000)	-
Interest income	114,000	80,000
Interest cost	(222,000)	(173,000)
Admin expenses	(2,000)	(1,000)
Total	(792,000)	(676,000)

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20. Pension commitments (continued)

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

	2018 £	2017 £
Opening defined benefit obligation	8,519,000	7,825,000
Current service cost	641,000	582,000
Interest cost	222,000	173,000
Employee contributions	89,000	88,000
Actuarial gains	(825,000)	(117,000)
Past service costs	41,000	-
Benefits paid	(96,000)	(32,000)
	<u>8,591,000</u>	<u>8,519,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	4,207,000	3,464,000
Interest on assets	114,000	80,000
Actuarial losses	168,000	337,000
Employer contributions	294,000	271,000
Employee contributions	89,000	88,000
Benefits paid	(96,000)	(32,000)
Administrative expenses	(2,000)	(1,000)
	<u>4,774,000</u>	<u>4,207,000</u>

21. Operating lease commitments

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	36,984	14,798
Between 1 and 5 years	84,476	8,343
	<u>121,460</u>	<u>23,141</u>

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

22. Related party transactions

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

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

Rev A M Cole, A Glynne-Jones and C Caille, directors of the academy, are also directors of St Augustine's Catholic Academy Trust. During the year, the academy made sales of £NIL (2017: £9,790) from St Augustine's Catholic Academy Trust. There is no year end debtor.

The academy trust company occupies land (including buildings) which are owned by its Trustees who are Nottingham Roman Catholic Diocesan Trustees. During the year, the academy made purchases of £47,591 (2017: £27,316) from Nottingham Roman Catholic Diocesan Education Services.

23. Agency arrangements

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the trust received £22,069 (2017: £20,869) and disbursed £20,677 (2017: £16,662) from the fund. An amount of £10,556 (2017: £9,164) is included in other creditors relating to undistributed funds that is repayable to ESFA.

24. Post balance sheet events

On 1 September 2018, all assets and liabilities were transferred to Our Lady of Lourdes Catholic Multi Academy Trust at nil consideration.

25. 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.