

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

St John the Baptist



Catholic Multi Academy Trust

TUESDAY



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COMPANIES HOUSE

Company Registration No: 7913261
Registered Office: Notre Dame High School,
Surrey Street, Norwich NR1 3PB

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

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ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

Reference and Administrative Details

Members:

Bishop Alan Hopes
Mr Fred Corbett
Mrs Julie O'Connor
Professor Edward Acton
Monsignor Anthony Rogers (Representative of the Diocesan Trustees
(a corporate member))

Directors (Trustees):

Professor Edward Acton	(Chairman)
Mr Glen Batchelor	
Mr Brian Conway	
Mrs Patricia Cox	(appointed 1 September 2017)
Mrs Priscilla Crane	(appointed 1 September 2017)
Mrs Jodie Gilbert – Barnham	(resigned 19 April 2017)
Mr Peter Godfrey	
Mrs Ruth Hollis	
Mrs Victoria Long	(resigned 31 August 2017)
Ms Mary Mustoe-Arthur	(appointed 1 September 2017)
Canon David Paul	
Mrs Kim Payne	(resigned 31 August 2017)
Mr Flavio Vettese	

Company Secretary:

Mr John Eady

Key Management

Mr Brian Conway	(CEO) (Headteacher of Notre Dame High School, resigned 31 August 2017)
Mr Adrian La Chapelle	(Headteacher of St Augustine's, resigned 31 August 2017)
Mrs Veronica Short	(Headteacher of the Catholic Primary Schools of the Waveney Valley)
Mrs Kim Payne	(Headteacher of St Francis of Assisi) (Primary Improvement Lead, appointed 1 September 2017)
Mr Alex Savage	(Headteacher of St Mary's)
Mrs Victoria Long	(Headteacher of St Mary and St Peter)
Mrs Linda Bennett	(MAT Business Manager)
Mr John Eady	(Company Secretary)
Mr Neil Cully	(Head of School of Notre Dame High School, appointed 1 September 2017)
Miss Rachel Swindell	(Headteacher of St Augustine's, appointed 1 September 2017)

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

Reference and Administrative Details (continued)

Company Name:	St John the Baptist Catholic Multi Academy Trust (formerly Notre Dame High School, Norwich)
Principal and Registered office:	Notre Dame High School Surrey Street Norwich Norfolk NR1 3PB
Company registration number:	07913261
Independent Auditor:	Lovewell Blake LLP Chartered Accountants and Statutory Auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
Bankers:	Lloyds Bank plc 16 Gentlemans Walk Norwich Norfolk NR2 1LZ
Diocese	Roman Catholic Diocese of East Anglia
Solicitors:	NP Law Limited County Hall Martineau Lane Norwich Norfolk NR1 2DH

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

St John the Baptist Catholic Multi Academy Trust operates 6 primary academies and one secondary academy in Norfolk and north Suffolk. Its academies have a combined pupil capacity of 2702 and had a roll of 2694 in the school census on 21 January 2017.

St John the Baptist Catholic Multi Academy Trust was formed on 1 April 2016 and comprised Notre Dame High School Norwich, St Augustine's Catholic Primary School (Costessey), St Francis of Assisi Catholic Primary School (Norwich) and St Mary and St Peter Catholic Primary School (Gorleston). On 1 May 2016 St Benet's Catholic Primary School (Beccles), St Edmund's Catholic Primary School (Bungay) and St Mary's Catholic Primary School (Lowestoft) joined the Multi Academy Trust.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of St John the Baptist Catholic Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as St John the Baptist Catholic Multi Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 2.

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

Subject to the provisions of the Companies Act, every Trustee or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach of duty or breach of trust in relation to affairs of the Trust. As explained in Note 11 to the Financial Statements the limit of this indemnity is £2,000,000.

Method of Recruitment and Appointment or Election of Trustees

The members of the Trust are appointed by the Diocesan Bishop. The members appoint the Trustees, taking into account the skills and expertise necessary for effective operation of the Board. The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Articles of Association.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Structure, governance and management (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

Training and induction provided for new Trustees is assessed based on their existing experience. Induction may include training on educational, legal and financial matters where necessary. All new trustees are encouraged to visit the various schools, to meet with the Headteacher, Head of School, staff and pupils, and are provided with key documents such as the Articles of Association, the Scheme of Delegation, policies, procedures, budgets, accounts, plans and any other documents necessary to undertake their role as Trustees. Appropriate on-going training is available and organised as necessary.

Organisational Structure

The Trust has arranged its business in such a way that responsibilities and lines of accountability are clearly identified. The Trustees are responsible for determining overall strategy, adopting an annual plan and budget, monitoring the Trust's financial and operational performance, reviewing the educational progress of all academies and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

Local Governing Bodies (LGBs) at each school or federation of schools are committees of the Trust Board. They have delegated responsibility for key aspects of each school, including ensuring clarity of vision and ethos, holding the Headteacher to account and ensuring that funding is well spent. The Board of Trustees retains formal accountability for the operation of each school, and for the strategic management and operation of the Trust as a whole. Risk management and governance is scrutinised by the Trust's Audit committee. The Trust Board, its committees and LGBs meet at least once every term.

The day to day management of the Trust is the responsibility of the Chief Executive Officer, who is also the Trust's Accounting Officer. Responsibility for the day to day running of each school is delegated by each LGB to its Headteacher/ Head of School.

In the year to 31st August 2017 the Trust's Board met 4 times.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of key managerial personnel within the Trust is overseen by the Board of Trustees. Staff within the remit of School Teachers Pay and Conditions are paid in accordance with this document. Performance management of these staff are carried out in line with policy requirements and any increase in salary is subject to the approval of the Pay committees at Local Governing Body level reporting to the Trust's Resources committee.

Staff subject to the National Joint Council pay scales for non-teaching staff in schools are paid in accordance with the St John the Baptist Catholic Multi Academy Trust approved scales although a small number of staff have retained their Suffolk County Council pay grades. A benchmarking exercise based on Norfolk County Council's single status reward package is carried out by the MAT's HR and Payroll provider, Education Personnel Management, should a grading review be required. Any change in salary grade would be with the approval of the Board of Trustees.

Related Parties and other Connected Charities and Organisations

St John the Baptist Catholic Multi Academy Trust operates in accordance with the Roman Catholic Diocese of East Anglia (a registered charity with Charity Commission Number 278742).

The Catholic Primary Schools of the Waveney Valley (St Benet's, Beccles and St Edmund's, Bungay) are formally sponsored and supported by the Trust in accordance with its objectives and responsibilities.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Objectives and Activities

Objects and Aims

The object of the Trust is to establish, maintain and develop Catholic schools (and other schools, subject to the approval of the Bishop) within the Diocese.

Mission Statement

The mission statement of the St John the Baptist Catholic Multi Academy Trust is:

Our family of schools is united in the belief that God's love, peace, truth, and joy is for all. We are dedicated to the achievement of excellence in all we do. We cherish the uniqueness of each of our school communities and celebrate together as one Trust family. By following Jesus' example we bear witness to the greatness of God.

'To think, to feel, to do.' Pope Francis

Objectives, Strategies and Activities

The principal objective and activity of the Trust in the period under review was to continue to improve the educational outcomes for all of its pupils.

This has been the first full year of the St John the Baptist Catholic Multi Academy Trust incorporating one high school and 6 primary schools. Educational standards have shown continued improvement especially in St Benet's and St Edmund's primary schools which are academies sponsored by the Trust. Structures and reporting mechanisms have been imbedded including the live Summary Headteacher Aims, Risks and Ethos (SHARE) document which is accessible to all Trustees, CEO, local governors, and senior leaders and gives a current assessment of student achievement and progress.

The Catholic life of the schools has also been enhanced with shared activities and worship.

Public Benefit

The key public benefit delivered by St John the Baptist Catholic Multi Academy is the maintenance and delivery of high quality education to the children of Norfolk and north Suffolk and the surrounding areas and parishes.

The Trustees 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.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Strategic Report

Achievements and Performance

In its first full year the Trustees of the St John the Baptist Catholic Multi Academy trust have appointed a substantive Chief Executive Officer who will lead on the day to day management of the Trust and build on the continued educational successes demonstrated across the schools.

The success of the appointment of an experienced Headteacher at the Catholic Primary Schools of the Waveney Valley has been evidenced by much improved SATs results across both schools. Good practice is being shared between schools and the appointment of the Primary Lead will strengthen this collaborative working and will imbed good practice across the Trust

Notre Dame High School continues to achieve excellent results at both GCSE and A level which is particularly noteworthy at this time of educational change. GCSE results were the highest in the county for a state school.

Key Financial Performance Indicators

Key Stage 2 results in July 2017 for the primary schools, showing the percentage of pupils who achieved the expected standards in the appropriate discipline with a comparison to 2016 are as below:

KS2 results (% of pupils)	Reading		Writing		Spelling, Punctuation and Grammar		Maths		Combined Reading, Writing & Maths	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
St Augustine's	90	75	94	86	94	93	100	96	84	69
St Benet's	81	44	73	33	81	92	73	71	73	33
St Edmund's	85	69	77	69	92	69	85	69	69	62
St Francis	85	79	83	66	88	78	87	73	77	55
St Mary's	87	65	87	62	87	72	94	89	81	48
St Mary & St Peter	82	52	82	74	82	56	86	48	82	41
National	71	66	76	74	77	72	75	70	61	53

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Strategic Report (continued)

Key Financial Performance Indicators (continued)

Pupils at Notre Dame High School achieved the following 2017 public examination results (2016 results in brackets):

82% (78%) pupils achieved at least 5 A*-C grade GCSEs including English and Maths. (Highest in county for state school)

Progress 8 measure was + 0.44 (+0.35)

82% (84%) of A level grades were A*-C grades

ALPS grade 4 (2)

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 Statement of Accounting Policies.

Financial review

The vast majority of the income of the Trust comes from the Education and Skills Funding Agency in the form of recurrent grants and these together with associated expenditure are shown in restricted funds on the Statement of Financial Activity.

During the period ended 31 August 2017 total expenditure of £14,590,536 (2016: £11,167,072) was covered by recurrent grant funding with other incoming resources. The excess of expenditure over income was covered by reserves held from previous year and funds on conversion.

At the year end the Pension Fund deficit had reduced from £4,735,000 to £3,882,000.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Strategic Report (continued)

Reserves Policy

The Trust Resources Committee has reviewed reserve levels and believes that they should provide sufficient working capital to cover delays between spending and receipt of grants to allow for unexpected situations such as urgent maintenance work.

As at 31 August 2017 the Trust had a total fund of £3,571,335 (excluding pension deficit) of which £2,179,604 is identified as restricted reserves. The balance on the restricted general fund (excluding pension reserve) £313,600 plus balance on unrestricted funds £1,391,731 as at 31st August 2017 results in a net surplus of £1,705,331.

Investment Policy

With the exception of cash held for the operation of the Academy trust, St John the Baptist Catholic Multi Academy Trust has no realisable investments as at 31 August 2017. The Board of Directors has adopted a low risk strategy to cash holdings operating an interest bearing account with the Academy Trust bankers. It is the intention to invest any surplus funds in low risk short term bank deposits.

Principal Risks and Uncertainties

The Trustees have responsibility to assess the strategic risks to which the Academy Trust is exposed and have a risk management register which will be updated annually.

Chief risks identified include:

- Deficit in the Local Authority Pension Scheme.
- Pupil numbers in an increasing competitive education landscape particularly in the smaller schools of the MAT.
- Continuing pressures on school budgets especially with the lifting of the salary cap for public sector staff.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Strategic Report (continued)

Principal Risks and Uncertainties (continued)

The Trustees continue to implement a number of systems to assess risks that the Trust faces, especially in the strategic risks areas and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk.

Competition for students to fill school places continues to grow. This is particularly noticeable in areas where there are a number of primary providers. The Trust will continue to use the allocated marketing budget to raise the profile of both the Trust and the schools within it to ensure that parents can make an informed choice.

Financial pressures on school budgets continue. The introduction of the apprenticeship levy has added additional cost pressures and some schools in the Trust have undertaken staffing adjustments during the year to ensure the Trust's finances continue on a sound footing.

Proposed changes to the national funding formula appear to have eased the financial pressures recognised in last year's statement but the lifting of the public sector pay cap and a projected further increase in teacher pension contributions is likely to result in an ongoing need to look for cost savings.

Plans for future periods

The strategic aims of the St John the Baptist Catholic Multi Academy Trust are:

- To further develop the distinctive Catholic nature of the schools and the Trust.
- To build a culture of success and achievement across all schools in the Trust.
- To develop every child and young person so that they achieve and are successful, confident, independent and resilient learners for life.
- To develop and embed sustainable, high quality and robust Catholic leadership across the Trust.
- To develop inspirational teaching that fosters aspirational learning.
- To strengthen engagement between our schools and our communities.
- To prioritise excellence in facilities, staffing and resourcing.

Funds held as Custodian Trustee on behalf of others

The Trust does not hold any funds as a custodian Trustee on behalf of others. The funds for Norfolk Education Leaders are administered through Notre Dame High School on behalf of NEL but the academy has no control over the funds. Cluster funds distributed to the Catholic Schools cluster are also managed through Notre Dame High School. In both cases accounts are administered through a Norfolk County Council imprest account using the NCC STAR accounts accounting package.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2017

Employees

The Trustees recognise their responsibilities under equality legislation, specifically the Equality Act 2010. All those taking part in the recruitment and selection process have responsibility for applying the Trust's policy on equal opportunities to avoid unlawful discrimination. The Trustees recognise that all public sector organisations are under a single equality duty to demonstrate that they are achieving equality in their workforce across all protected characteristics.

The Trust meets on a regular basis with both Norfolk and Suffolk area trade union representatives when any changes to policies are fully consulted on before implementation. In addition the head teachers of all the academies meet on a regular basis to ensure an exchange of views. Joint training happens on inset days throughout the year as well as link meetings of departments across the Trust.

Auditor

In so far as the Trustees are aware:

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

Lovewell Blake LLP were reappointed as auditors for the Trust to enable consistency in the Trust's first full year of accounts.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the board of Trustees, as the company directors, on 7-12-17 and signed on the board's behalf by:



Professor Edward Acton
Chair of Trustees

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St John the Baptist Catholic Multi 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 Chief Executive 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 John the Baptist Catholic Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 4 times during the year to 31 August 2017. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Professor Edward Acton	4	4
Mr Glen Batchelor	1	4
Mr Brian Conway (Accounting Officer)	4	4
Mrs Jodie Gilbert-Barnham (resigned 19 April 2017)	2	3
Mr Peter Godfrey	3	4
Mrs Ruth Hollis	4	4
Mrs Victoria Long (resigned 31 August 2017)	4	4
Rev David Paul	1	4
Mrs Kim Payne (resigned 31 August 2017)	2	4
Mr Flavio Vettese	4	4

Governance Reviews

The Board undertook a self-appraisal and skills stock-take in June 2017, which identified financial expertise and primary education as key areas to strengthen. Challenge would be strengthened by assigning a specific Trustee to monitor each school and ensure that any Board actions have been implemented, and by the appointment of a Primary Improvement Lead. Responsibilities would be clarified between the Board, the Trustees Teaching, Learning and Standards Committee and the Heads Operations Committee with regards to Teaching and Learning.

Long term strategy for MAT development would be considered in parallel with education plans and vision from the Diocese.

The Board clarified the distinction between the Trustee role and the role of employees by replacing Headteachers on the Board with non-executive Trustees in September 2017, and was mindful to maintain the gender balance.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

Committees

The Resources committee is a committee of the main board of trustees. Its main purposes are:

- the initial review and authorisation of the annual budget for each Academy;
- the regular monitoring and scrutiny of the Academy management accounts;
- reviewing any Trust Procurement Policy and the Scheme of Financial Delegation;
- reviewing and checking details of any contracts and purchases by the Academy;
- authorising the award of contracts and purchases;
- liaising as necessary with the Trust's Audit Committee (or the Trust Board if appropriate) to ensure accountability and propriety and to manage the level of financial risk within the Trust as well as review the effectiveness of the financial procedures and controls.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Professor Edward Acton	6	6
Mr Glen Batchelor	5	6
Mr Brian Conway (Accounting Officer)	6	6
Mr Peter Godfrey	6	6
Mrs Ruth Hollis	6	6

The audit committee is also a committee of the main board of trustees. Its main purposes are to:

- review systems of internal control and arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money) ;
- review the Statement on Internal Control;
- advise the Directors on the appointment, reappointment, dismissal and remuneration of auditors and monitor their effectiveness;
- consider the reports of auditors and, when appropriate, advise the Directors of material controls issues;
- monitor implementation of agreed audit recommendations.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Glen Batchelor	2	3
Mr Brian Conway (Accounting Officer)	3	3
Mr Peter Godfrey	3	3
Mr Flavio Vettese	0	3

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

Committees (continued)

Review of Value for Money

As accounting officer, the Chief Executive Officer 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Rigorously challenging performance in the schools in the MAT to demonstrate continued educational improvement.
- Working towards an in house solution to general repairs and maintenance across the Trust to be in place from January 2018. This will provide cost savings across the Trust using current staff expertise and future staff training and development.
- Undertaking staffing reviews and adjustments to ensure the ongoing financial stability of the Trust schools.

Arrangements are also in place to ensure consistency of good practice and good educational outcomes across the primary sector of the Trust with the appointment of a Primary Lead Professional. She will also oversee brought in professional services to ensure the Trust is getting value for money from the provision.

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 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 John the Baptist Catholic Multi Academy Trust for the period 1 September 2016 to 31 August 2017 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 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 JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint Larking Gowen as internal auditor.

The internal auditor's 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 by the Trust central team and at 2 Trust schools.
- testing of purchase systems and income and expenditure controls.
- testing of control account/ bank reconciliations.

On a regular basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of effectiveness

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

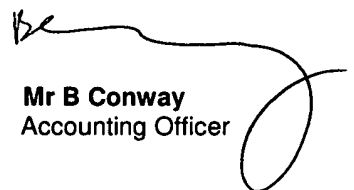
- The work of the audit committee including information from the internal auditor.
- The work of the external auditor.
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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 the Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7/12/17 and signed on its behalf by:



Professor Edward Acton
Chair of Trustees



Mr B Conway
Accounting Officer

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

Statement on regularity, propriety and compliance

As Accounting Officer of St John the Baptist Catholic Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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 2016.

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



Mr B Conway
Accounting Officer

Date: 7/12/17
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ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 7/12/17 and signed on its behalf by:



Professor Edward Acton
Chair of Trustees

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

Opinion

We have audited the financial statements of St John the Baptist Catholic Multi Academy Trust (the 'Academy Trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's Trust 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 opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's Trust affairs as at 31 August 2017, 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 2016 to 2017 issued by the Education and Skills Funding Agency.

Emphasis of matter – land and buildings

In forming our opinion on the financial statements we have considered the adequacy of the disclosure in note 1(e) and the Trustees decision in connection with non-recognition of the land and buildings owned by The Roman Catholic Diocese of East Anglia and occupied under licence by the Academy Trust. Due to the short term nature of the licence the Trustees consider it would be inappropriate to recognise the value of the assets within the financial statements. The land and buildings of Notre Dame High School were valued by DTZ on behalf of the ESFA on the 1 March 2012 at £17,208,191. Therefore, at the 31 August 2017 the net book value of the land and buildings, after annual depreciation of £322,808, would be £15,432,748 thus increasing the restricted fixed asset fund to £17,298,752 and the overall net assets of the Academy to £15,122,083. The valuation reports for the primary schools which joined the Academy Trust during the previous year have been requested from the ESFA but remain outstanding.

Emphasis of matter – going concern

In forming our opinion on the financial statements we have considered the adequacy of the disclosure made in the Trustees' Report and note 1 to the financial statements concerning the academy trust's ability to continue as a going concern. The academy trust carries a net deficit of £310,665 (including the pension liability of £3,882,000) as at the 31 August 2017. The pension liability will be repaid from future increases to contributions rates as detailed in note 23. The financial statements do not include the adjustments which would be necessary if the academy trust was unable to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES OF ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST (continued)

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES OF ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 17, the Trustees (who are also the Directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy Trust's internal control.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES OF ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Lovewell Blake LP

MARK PROCTOR ACA DChA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

12-12-2017

Bankside 300
Peachman Way
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NR7 0LB
12-12-17

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

In accordance with the terms of our engagement letter dated 5 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St John the Baptist Catholic Multi Academy Trust during the period 1 September 2016 to 31 August 2017 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 John the Baptist Catholic Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St John the Baptist Catholic Multi Academy Trust and ESFA 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 John the Baptist Catholic Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St John the Baptist Catholic Multi Academy Trust accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St John the Baptist Catholic Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2012, varied on 31 March 2016, and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed 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 to draw our conclusion includes:

- Review of minutes of the various committees and sub-committees, management accounts and discussions with key personnel;
- Evaluation of the implementation of the internal control procedures, and detailed review of the control environment for any changes or weaknesses;


**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST JOHN
THE BAPTIST CATHOLIC MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING
AGENCY**

Approach (continued)

- Review of expense claims and credit card expenditure, to ensure it adheres to internal control procedures and is not for personal benefit;
- Review of financial transactions for any unusual transactions which may be improper;
- Ensuring that all the activities of the academy are in keeping with the academy's framework and charitable objectives;
- Ensuring that key staff and Governors have declared their interest in related parties and following up with discussions and testing;
- Review of related party transactions to ensure that no favourable rates have been applied;
- Ensuring any contracts with connected parties have been procured following the Academy Trust's procurement and tendering process, and if contracts were entered to after 7 November 2013 that the Academy Trust has obtained statements of assurance confirming no profit element was charged;
- Ensuring expenditure does not contravene the funding agreement;
- Ensuring extra-curricular payments for staff have been made in accordance with the Handbook;
- Ensuring that where special payments, including compromise agreements, have been made to staff that prior approval has been sought for non-contractual amounts over £50,000, payments are not used as a substitute for taking appropriate action under the Academy Trust's misconduct or performance management procedures, and payments are in line with the severance guidance published by ESFA;
- Ensuring borrowing agreements, including finance leases, have been made in accordance with the Handbook;
- Ensuring land and building transactions, especially disposals, are in line with the funding agreement and Handbook and prior approval has been obtained;
- Ensuring write-offs over 1% of total income or £45,000 (whichever is smaller) have been approved in advance by the Secretary of State;
- Ensuring procurement activity is in accordance with Annex 4.6 of Managing Public Money and that tendering processes have been adhered to.

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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


MARK PROCTOR FCA DChA (Reporting Accountant)
LOVEWELL BLAKE LLP

12/12/17

Bankside 300
Peachman Way
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Norwich
NR7 0LB

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2017

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

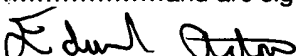
	Note	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Total 2017	Total 2016
Income and endowments from:						
Donations and capital grants	2	74,158	-	387,710	461,868	150,733
Charitable activities:						
Funding for the academy trust's educational operations	3	10,033	13,132,898	-	13,142,931	10,026,610
Other trading activities	4	370,688	269,161	-	639,849	539,050
Investments	5	5,999	5	-	6,004	7,069
Total		460,878	13,402,064	387,710	14,250,652	10,723,462
Expenditure on:						
Raising funds		62,080	-	-	62,080	66,706
Charitable activities:						
Academy trust educational operations	7	-	14,028,803	226,605	14,255,408	10,369,098
Transfer from local authority on conversion		-	-	-	-	438,982
Other		-	273,048	-	273,048	292,286
Total	6	62,080	14,301,851	226,605	14,590,536	11,167,072
Net (expenditure) / income		398,798	(899,787)	161,105	(339,884)	(443,610)
Transfers between funds	16	(514,426)	337,311	177,115	-	-
Other recognised gains and losses						
Actuarial gains / (losses) on defined benefit pension schemes	23	-	1,405,000	-	1,405,000	(1,851,000)
Net movement in funds		(115,628)	842,524	338,220	1,065,116	(2,294,610)
Reconciliation of funds						
Total funds brought forward	16	1,507,359	(4,410,924)	1,527,784	(1,375,781)	918,829
Total funds carried forward	16	1,391,731	(3,568,400)	1,866,004	(310,665)	(1,375,781)

The notes on pages 27 to 47 form part of these financial statements.

BALANCE SHEET at 31 August 2017

	Note	2017 £	2016 £
Fixed Assets			
Tangible Assets	12	1,687,739	1,375,436
Current Assets			
Debtors	13	496,749	608,129
Cash at bank and in hand		<u>2,484,412</u>	<u>2,440,455</u>
		2,981,161	3,048,584
Current liabilities			
Creditors: Amounts falling due within one year	14	<u>(1,096,050)</u>	<u>(1,061,727)</u>
Net current assets		<u>1,885,111</u>	<u>1,986,857</u>
Total assets less current liabilities		3,572,850	3,362,293
Creditors: Amounts falling due after one year	14	<u>(1,515)</u>	<u>(3,074)</u>
Net assets excluding pension liability		3,571,335	3,359,219
Pension scheme liability	23	<u>(3,882,000)</u>	<u>(4,735,000)</u>
Total net assets		<u>(310,665)</u>	<u>(1,375,781)</u>
Funds of the academy trust			
Restricted income funds			
Fixed asset fund	16	1,866,004	1,527,784
General fund	16	313,600	324,076
Pension reserve	16	<u>(3,882,000)</u>	<u>(4,735,000)</u>
Total restricted funds	16	<u>(1,702,396)</u>	<u>(2,883,140)</u>
Unrestricted income funds			
General fund	16	1,346,731	1,462,359
Designated fund	16	<u>45,000</u>	<u>45,000</u>
Total Funds		<u>(310,665)</u>	<u>(1,375,781)</u>

The financial statements on pages 24 to 47 were approved by the Trustees, and authorised for issue on 7-12-17 and are signed on their behalf by:


Professor Edward Acton
Chairman of Trustees

The notes on pages 27 to 47 form part of these financial statements.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

CASH FLOW STATEMENT
for the year ended 31 August 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	18	189,150	1,060,214
Cash flows from investing activities	19	<u>(145,193)</u>	<u>39,807</u>
Change in cash and cash equivalents in the reporting period		43,957	1,100,021
Cash and cash equivalents at 1 September 2016	20	2,440,455	1,340,434
Cash and cash equivalents at 31 August 2017	20	<u>2,484,412</u>	<u>2,440,455</u>

The notes on pages 27 to 47 form part of these financial statements.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

1. Statement of accounting policies

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

a) Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS102, 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The St John the Baptist Catholic Multi Academy Trust meets the definition of a public benefit entity under FRS102.

b) Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

c) Income

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

• Grants

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

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

1. Statement of accounting policies (continued)

c) Income (continued)

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.

• Donations

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.

• Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as income, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities. Where a donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

• Investments

Interest receivable is included within the Statement of Financial Activities on an accruals basis.

• Other trading activities

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

d) 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.

• Raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes cost of all fundraising activities 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.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

1. Statement of accounting policies (continued)

e) Tangible fixed assets

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

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

The academy trust company occupies land (including buildings) which are owned by The Roman Catholic Diocese of East Anglia. The Diocese are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a licence. This continuing permission of the Diocese is pursuant to, and subject to, the Diocese' 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 Diocese have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the Trustees have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the Academy.

The land and buildings of Notre Dame High School, Norwich were valued by DTZ on behalf of the ESFA on the 1 March 2012 at £17,208,191. The valuation reports for the primary schools which joined the Academy Trust during the previous year have been requested from the ESFA but remain outstanding.

f) Depreciation

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

Long leasehold land	125 years
Improvements to leasehold land and buildings	2% straight line
Furniture and equipment	10% straight line
Computer equipment	25% straight line
Motor Vehicles	25% reducing balance

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.

g) Leased assets

The academy trust has recognised the value of the land occupied by it on conversion, under a lease of 125 years.

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

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

1. Statement of accounting policies (continued)

h) 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 charity's wholly owned subsidiary are held at face value less any impairment.

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 cost 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 charity's wholly owned subsidiary are held at face value less any impairment.

i) 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.

j) Pensions benefits

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

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised as they are paid each year.

Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension Scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 the other recognised gains and losses.

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

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

1. Statement of accounting policies (continued)

k) Fund accounting

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

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

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

l) Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined 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 23, 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 2017. 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.

m) Redundancy

Where an obligation to make a redundancy or termination payment arises, the costs incurred by the academy are accounted for on an accruals basis and included within employee benefits.

n) Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

o) 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 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 cost as detailed notes 16 and 17. 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 charity's wholly owned subsidiary are held at face value less any impairment.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
Donations	74,158	-	74,158	8,738
Capital grants	-	387,710	387,710	141,995
	<u>74,158</u>	<u>387,710</u>	<u>461,868</u>	<u>150,733</u>

The income from donations and capital grants was £461,868 (2016: £150,733) of which £74,158 was unrestricted (2016: £924), £nil restricted (2016: £7,814) and £387,710 restricted fixed assets (2016: £141,995).

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
DfE/ESFA grants				
• General annual grant (GAG)	-	11,843,895	11,843,895	8,785,062
• School Direct Funding	-	154,413	154,413	260,909
• Other DfE/ESFA grants	10,033	947,886	957,919	831,140
	<u>10,033</u>	<u>12,946,194</u>	<u>12,956,227</u>	<u>9,877,111</u>
Other Government grants				
• Open opportunities	-	-	-	6,073
• Other grants	-	186,704	186,704	143,426
	<u>-</u>	<u>186,704</u>	<u>186,704</u>	<u>149,499</u>
Total educational operations	<u>10,033</u>	<u>13,132,898</u>	<u>13,142,931</u>	<u>10,026,610</u>

Funding for the academy trust's educational operations was £13,142,931 (2016: £10,026,610) of which £10,033 was unrestricted (2016: £nil), £13,132,898 restricted (2016: £10,026,610) and £nil restricted fixed assets (2016: £nil).

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Hire of facilities	11,921	-	11,921	17,002
Sales of goods and services	215,479	-	215,479	190,403
School trips and other income	143,288	269,161	412,449	331,645
	<u>370,688</u>	<u>269,161</u>	<u>639,849</u>	<u>539,050</u>

Income from other trading activities was £639,849 (2016: £539,050) of which £370,688 was unrestricted (2016: £270,745), £269,161 restricted (2016: £268,305) and £nil restricted fixed assets (2016: £nil).

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

5. INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Bank interest	5,999	5	6,004	7,069
	<u>5,999</u>	<u>5</u>	<u>6,004</u>	<u>7,069</u>

Income from investments was £6,004 (2016: £7,069) of which £5,999 was unrestricted (2016: £7,060), £5 restricted (2016: £9) and £nil restricted fixed assets (2016: £nil).

6. EXPENDITURE

	Staff costs	Non Pay Expenditure		Total 2017	Total 2016
		Premises	Other		
Raising funds:	-	-	62,080	62,080	66,706
Charitable Activities:					
Academy's educational operations (note 7)					
• Direct costs	9,276,653	-	932,097	10,208,750	7,797,432
• Allocated support costs	1,590,166	408,488	1,496,004	3,494,658	2,364,666
• FRS17 pension costs	552,000	-	-	552,000	207,000
Transfer from local authority on conversion	-	-	-	-	438,982
Other costs	-	-	273,048	273,048	292,286
	<u>11,418,819</u>	<u>408,488</u>	<u>2,763,229</u>	<u>14,590,536</u>	<u>11,167,072</u>

Expenditure was £14,590,536 (2016: £11,167,072) of which £62,080 was unrestricted (2016: (£325,746)), £14,301,851 restricted (2016: £11,758,516) and £226,605 restricted fixed assets (2016: (£265,698)).

Net expenditure for the year includes:

		2017	2016
Operating lease rentals	- plant and machinery	16,714	15,399
Fees payable to auditor	- audit (see note 7)	18,485	19,115
	- other services (see note 7)	7,360	12,368
Depreciation		<u>226,605</u>	<u>206,381</u>

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

7. CHARITABLE ACTIVITIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Direct costs – educational operations	-	10,208,750	10,208,750	7,727,432
Support costs – educational operations	-	3,494,658	3,494,658	2,434,666
FRS17 pension costs	-	552,000	552,000	207,000
	-	14,255,408	14,255,408	10,369,098

Expenditure on direct costs was £10,208,750 (2016: £7,727,432) of which £nil was unrestricted (2016: £30,120), £9,982,145 restricted (2016: £7,490,931) and £226,605 restricted fixed assets (2016: £206,381).

Analysis of support costs

Support staff costs	-	1,532,514	1,532,514	1,071,870
Maintenance of premises and equipment	-	178,508	178,508	148,928
Cleaning and refuse	-	83,570	83,570	46,937
Rent and rates	-	55,565	55,565	44,244
Energy costs	-	169,849	169,849	132,358
Insurance	-	92,145	92,145	64,093
Security	-	7,358	7,358	3,282
Transport	-	29,392	29,392	45,505
Catering	-	359,504	359,504	109,904
Technology costs	-	218,586	218,586	148,255
Recruitment and support	-	85,921	85,921	55,347
Bank interest and charges	-	1,607	1,607	325
Other support costs	-	238,336	238,336	172,738
Governance costs (see below)	-	441,803	441,803	390,880
	-	3,494,658	3,494,658	2,434,666

Support costs totalled £3,494,658 (2016: £2,434,666) of which £nil was unrestricted (2016: £nil), £3,494,658 restricted (2016: £2,434,666) and £nil restricted fixed assets (2016: £nil).

Analysis of governance costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Staff cost	-	135,380	135,380	120,892
Legal and professional fees	-	280,578	280,578	238,505
Auditor's remuneration				
- Audit of financial statements	-	18,485	18,485	19,115
- Non audit costs	-	7,360	7,360	12,368
	-	441,803	441,803	390,880

Governance costs totalled £441,803 (2016: £390,880) of which £nil was unrestricted (2016: £nil), £441,803 restricted (2016: £390,880) and £nil restricted fixed assets (2016: £nil).

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

8. STAFF COSTS

	2017 £	2016 £
Staff costs during the period were:		
Wages and salaries	8,572,778	6,316,538
Social security costs	762,273	486,491
Pension costs	896,222	705,300
Operating costs of defined benefit pension schemes	1,032,000	513,000
Apprenticeship levy	12,510	-
	<u>11,275,783</u>	<u>8,021,329</u>
Supply staff costs	104,730	101,586
Staff restructuring costs	38,306	38,539
	<u>11,418,819</u>	<u>8,161,454</u>
Staff restructuring costs comprise:		
Redundancy payments	28,168	34,739
Severance payments	10,138	3,800
	<u>38,306</u>	<u>38,539</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £10,138 (2016: £3,800). Individually, the payments were £5,750 and £4,388.

c. Staff numbers

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

	2017 No.	2016 No.
Charitable Activities		
Teachers	159	162
Administration and support	275	265
Management	20	21
	<u>454</u>	<u>448</u>

d. Higher paid staff

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

	2017 No.	2016 No.
£60,001 - £70,000	2	1
£70,001 - £80,000	2	1
£90,001 - £100,000	1	1
	<u>5</u>	<u>2</u>

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2017 employer's pension contributions for the employees amounted to £59,492 (2016: £31,746).

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on 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 £663,145 (2016: £418,041).

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

9. CENTRAL SERVICES

Central services charges totalled £531,800 (2016: £nil).

	2017 £	2016 £
Notre Dame High School, Norwich	281,600	-
St Augustine's, Norwich	50,800	-
St Benet's, Beccles	16,400	-
St Edmund's, Bungay	17,600	-
St Francis of Assisi, Norwich	84,200	-
St Mary's, Lowestoft	41,600	-
St Mary and St Peter, Gorleston	39,600	-
Total charge	<u>531,800</u>	<u>-</u>

The academy trust has provided the following central services to its academies during the year:

Chief executive officer	Legal services
Operations management	Educational psychologist
HR support and payroll	Admission appeals
Insurance – buildings, contents, liability etc.	Musculo skeletal referral and support
Staff absence insurance – primary schools only	Wellbeing support through counselling service
External audit	Primary intervention support
Internal audit	Media community relations and reputation management
Financial systems – PS Financials	Energy monitoring
Budgeting software	Evolve – Educational visits on line planning tool
Health and safety	The Key including The Key for Governors
Trade Union facility	Attendance service
Critical incident support	Family support worker - YMCA
Governance and leadership services including Governor Hub and training	Online payments system – Wisepay
	Asset management system

Central services are charged based on pupil numbers at £200 contribution per pupil.

10. RELATED PARTY TRANSACTIONS – TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or received other benefits from an employment with the academy trust. The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment.

The value of Trustees' remuneration and other benefits was as follows:

Mr Brian Conway (CEO and Trustee)
Remuneration £90,000 - £95,000 (2016: £90,000 - £95,000)
Employer's pension contributions £15,000 - £20,000 (2016: £15,000 - £20,000)
Mrs Victoria Long (Trustee) – resigned 31 August 2017
Remuneration £55,000 - £60,000 (2016: £20,000 - £25,000)
Employer's pension contributions £5,000 - £10,000 (2016: £0 - £5,000)
Mrs Julie Brazell (Staff Trustee) – resigned 31 March 2016
Remuneration £n/a (2016: £25,000 - £30,000)
Employer's pension contributions £n/a (2016: £0 - £5,000)
Mrs Jade Block (Staff Trustee) – resigned 31 March 2016
Remuneration £n/a (2016: £30,000 - £35,000)
Employer's pension contributions £n/a (2016: £5,000 - £10,000)
Mr Peter Hedges (Staff Trustee) – resigned 31 March 2016
Remuneration £n/a (2016: £30,000 - £35,000)
Employer's pension contributions £n/a (2016: £5,000 - £10,000)
Mrs Kim Payne (Trustee) – resigned 31 August 2017
Remuneration £70,000 - £75,000 (2016: £25,000 - £30,000)
Employer's pension contributions £10,000 - £15,000 (2016: £0 - £5,000)

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

10. RELATED PARTY TRANSACTIONS – TRUSTEES' REMUNERATION AND EXPENSES (Continued)

During the period ended 31 August 2017 travel and subsistence expenses totalling £nil (2016: £534) were reimbursed or paid directly to no Trustees (2016: one).

Other related party transactions involving the Trustees are set out in note 24.

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2017 was £1,483 (2016: £1,290). The cost of this insurance is included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Leasehold Land £	Improvements to land and buildings £	Furniture and equipment £	Computer equipment £	Motor Vehicles £	Total 2017 £
Cost or valuation						
At 1 September 2016	189,000	140,031	1,307,439	580,593	21,420	2,238,483
Additions	-	366,822	59,173	112,912	-	538,907
At 31 August 2017	189,000	506,852	1,366,612	693,505	21,420	2,777,389
Depreciation						
At 1 September 2016	588	6,632	421,232	421,647	12,948	863,047
Charged in period	3,780	4,372	132,484	83,851	2,118	226,605
At 31 August 2017	4,368	11,004	553,716	505,498	15,066	1,089,652
Net book values						
At 31 August 2017	184,632	495,848	812,896	188,007	6,354	1,687,739
At 1 September 2016	188,412	133,399	886,207	158,946	8,472	1,375,436

All assets are used for educational purposes.

13. DEBTORS

	2017 £	2016 £
Trade debtors	5,552	6,346
Prepayments and accrued income	349,476	256,282
Other debtors	-	192,399
VAT recoverable	141,721	153,102
	<u>496,749</u>	<u>608,129</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	690,003	691,842
Other creditors	3,156	23,473
Accruals and deferred income	402,891	346,412
	<u>1,096,050</u>	<u>1,061,727</u>

Included within other creditors within one year is a Salix loan of £3,118 (2016: £1,559) for energy efficient improvements which is provided on the following terms: repayable interest-free over 3 years with payment being made direct by the trust.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

14. CREDITORS (continued): AMOUNTS FALLING DUE AFTER ONE YEAR	2017	2016
	£	£
Other creditors	1,515	3,074
	<u>1,515</u>	<u>3,074</u>

Included within other creditors after one year is a Salix loan of £1,515 (2016: £3,074) for energy efficient improvements which is provided on the following terms: repayable interest-free over 3 years with payment being made direct by the trust.

15. DEFERRED INCOME

	2017	2016
	£	£
Deferred income at 1 September 2016	190,983	57,210
Resources deferred in the year	229,921	190,983
Amounts released from previous years	<u>(190,983)</u>	<u>(57,210)</u>
Deferred income at 31 August 2017	<u>229,921</u>	<u>190,983</u>

Deferred income represents government funding and student trip income received in the year ended 31 August 2017 which relates to the year ended 31 August 2018.

16. FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	113,645	11,843,895	(12,064,073)	327,208	220,675
Other DfE / ESFA / Government grants	194,351	1,289,007	(1,412,730)	743	71,371
Salix loan	(4,833)	-	-	-	(4,833)
School fund	12,189	269,162	(273,048)	9,360	17,663
Sorensen fund	8,724	-	-	-	8,724
Pension reserve	(4,735,000)	-	(552,000)	1,405,000	(3,882,000)
	<u>(4,410,924)</u>	<u>13,402,064</u>	<u>(14,301,851)</u>	<u>1,742,311</u>	<u>(3,568,400)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	385,258	387,710	(10,915)	-	762,053
GAG contribution	594,014	-	(184,069)	177,115	587,060
Donated assets	548,512	-	(31,621)	-	516,891
	<u>1,527,784</u>	<u>387,710</u>	<u>(226,605)</u>	<u>177,115</u>	<u>1,866,004</u>
Total restricted funds	<u>(2,883,140)</u>	<u>13,789,774</u>	<u>(14,528,456)</u>	<u>1,919,426</u>	<u>(1,702,396)</u>
Unrestricted funds					
General fund	1,462,359	460,878	(62,080)	(514,426)	1,346,731
Designated fund	45,000	-	-	-	45,000
Total unrestricted funds	<u>1,507,359</u>	<u>460,878</u>	<u>(62,080)</u>	<u>(514,426)</u>	<u>1,391,731</u>
Total funds	<u>(1,375,781)</u>	<u>14,250,652</u>	<u>(14,590,536)</u>	<u>1,405,000</u>	<u>(310,665)</u>

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

16. FUNDS (continued)

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

GAG & other DfE/ESFA grants: the restricted income fund is for the purpose of specific expenditure within the school's declared objectives. DfE grants relate to government funding for the provision of education by the school. Funding is repayable if the school does not meet all funding requirements.

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 2017. The Governors intend to spend the carried forward GAG and other DfE/ESFA grants in the forthcoming years on the recruitment of additional members of the teaching staff and strengthening the Leadership Team of the school.

School fund: represents funds received towards specific activities undertaken by pupils within the school.

Sorenson fund: represents a past donation to the school to be used for funding a prize for female language students.

Pension reserve: represents the school's liability relating to the local Government Pension Scheme. Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the Academy's budgeted annual income.

DfE/ESFA capital grants: provided by the government for specific capital projects less related depreciation.

GAG contribution: value of GAG funding used for capital projects less related depreciation.

Donated assets: value of donated assets recognised in the financial statements at their estimated value to the Academy in the period in which they are receivable and where the benefit is both quantifiable and measurable, less related depreciation.

Designated fund: represents funds set aside for the future replacement of the MUGA at Notre Dame High School.

Funds transfers: Transfers between funds are to eliminate deficits in connection with other restricted funds such as Universal Infant Free School Meals and school trip fund.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

16. FUNDS (continued)

Total funds analysis by academy

Fund balances at 31 August 2017 were allocated as follows

	2017	2016
	£	£
Notre Dame High School, Norwich	967,552	1,292,752
St Augustine's, Norwich	128,077	115,397
St Benet's, Beccles	23,454	16,285
St Edmund's, Bungay	(19,317)	(696)
St Francis of Assisi, Norwich	174,398	164,146
St Mary's, Lowestoft	100,576	50,649
St Mary and St Peter, Gorleston	139,009	95,841
St John the Baptist Catholic Multi Academy Trust	191,582	97,061
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	1,705,331	1,831,435
Restricted fixed asset fund	1,866,004	1,527,784
Pension reserve	(3,882,000)	(4,735,000)
	<hr/>	<hr/>
	<u>(310,665)</u>	<u>(1,375,781)</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 depreciation)	Total 2017	Total 2016
	£	£	£	£	£	£
Notre Dame High School, Norwich	4,928,968	1,506,484	198,745	1,292,626	7,926,823	7,790,367
St Augustine's, Norwich	892,885	95,369	32,593	195,130	1,215,977	505,002
St Benet's, Beccles	305,859	56,344	4,269	74,048	440,520	147,827
St Edmund's, Bungay	336,333	50,251	3,788	118,586	508,958	168,123
St Francis of Assisi, Norwich	1,417,110	203,397	40,986	217,982	1,879,475	968,333
St Mary's, Lowestoft	608,408	65,783	22,864	199,759	896,814	287,936
St Mary and St Peter, Gorleston	736,495	96,538	28,192	201,718	1,062,943	443,093
St John the Baptist Trust	50,595	68,000	11,147	302,680	432,422	211,028
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	9,276,653	2,142,166	342,585	2,602,529	14,363,932	10,521,709

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

16. FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August are represented by:

	Unrestricted £	Restricted funds £	Pension Liability £	Restricted fixed asset funds £	Total 2017 £	Total 2016 £
Tangible fixed assets	-	-	-	1,687,739	1,687,739	1,375,436
Net current assets	1,391,731	313,600	-	178,265	1,883,596	1,983,783
Pension scheme liability	-	-	(3,882,000)	-	(3,882,000)	(4,735,000)
Total net assets	1,391,731	313,600	(3,882,000)	1,866,004	(310,665)	(1,375,781)

17. FINANCIAL COMMITMENTS

Operating leases

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Assets other than land and buildings		
Operating leases which expire:		
Within one year	15,118	13,414
Within two to five years	14,612	10,923
	<u>29,730</u>	<u>24,337</u>

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net (expenditure) / income	(339,884)	(443,610)
Assets on conversion	-	(412,486)
Pension scheme liability on conversion	-	1,329,000
Depreciation	226,605	206,381
Capital grants from DfE and other capital income	(387,710)	(141,995)
Interest receivable	(6,004)	(7,069)
Defined benefit pension scheme cost less contributions payable	453,000	139,000
Defined benefit pension scheme finance cost	99,000	68,000
Decrease/(increase) in debtors	111,379	(353,863)
Increase in creditors	32,764	676,856
Net cash provided by operating activities	189,150	1,060,214

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

19. CASH FLOWS FROM INVESTING ACTIVITIES

	2017 £	2016 £
Capital grants from DfE/ESFA	387,710	141,995
Interest received	6,004	7,069
Purchase of tangible fixed assets	(538,907)	(109,257)
Net cash (used in) / provided by investing activities	(145,193)	39,807

20. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2016 £	Cash flows £	At 31 August 2017 £
Cash in hand and at bank	2,440,455	43,957	2,484,412
	<u>2,440,455</u>	<u>43,957</u>	<u>2,484,412</u>

21. CAPITAL COMMITMENTS

	2017 £	2016 £
Contracted for, but not provided in the financial statements	47,398	94,767

22. MEMBERS' LIABILITY

Each member of the academy trust 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.

23. PENSION AND SIMILAR OBLIGATIONS

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

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

There were no outstanding or prepaid contributions at the end of the financial period.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Teachers' Pension Scheme

Introduction

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

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

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 the 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 (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- The assumed real rate of return is 3% in excess of prices and 2% in excess earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed notional nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rates is expected to be reassessed and will be payable from 1 April 2019.

The employers pension costs paid to TPS in the period amounted to £920,049 (2016: £708,013).

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

Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2017 was £615,000 (2016: £399,000), of which employer's contributions totalled £480,000 (2016: £306,000) and employees' contributions totalled £135,000 (2016: £93,000). The agreed contribution rates for future years are 5.5% to 12.5% for employees and 22.5% for employers.

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.

Principal Actuarial Assumptions

Norfolk County Council

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	2.7	3.1
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1
Commutation of pensions to lump sums	50% & 75%	50% & 75%

Suffolk County Council

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	2.7	4.1
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1
Commutation of pensions to lump sums	25% & 63%	25% & 63%

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2013 model assuming the current rate of improvement has reached a peak and will converge to a long term rate 1.25% p.a.. The average future life expectancies at age 65 are summarised below:

Norfolk County Council

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	22.1	22.1
Females (average of schemes with Norfolk County Council)	24.4	24.4
<i>Retiring in 20 years</i>		
Males (average of schemes with Norfolk County Council)	24.1	24.2
Females (average of schemes with Norfolk County Council)	26.4	26.5

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Suffolk County Council

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	21.9	22.4
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	23.9	24.3
Females	26.4	26.9

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equity instruments	3,091,000	2,396,000
Debt instruments	1,291,000	1,005,000
Property	599,000	466,000
Cash	97,000	75,000
Total market value of assets	5,078,000	3,942,000

The actual return on scheme assets was £604,000 (2016: £491,000).

Amounts recognised in the Statement of Financial Activities	2017 £	2016 £
Current service cost	933,000	445,000
Interest income	86,000	95,000
Interest cost	(185,000)	(163,000)
Total operating charge	1,032,000	513,000

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

	2017 £	2016 £
At 1 September 2016	8,677,000	3,355,000
Upon conversion	-	2,405,000
Current service cost	933,000	445,000
Interest cost	185,000	163,000
Employee contributions	135,000	93,000
Actuarial (gain)/loss	(887,000)	2,247,000
Benefits paid	(83,000)	(31,000)
At 31 August 2017	8,960,000	8,677,000

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

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

	2017 £	2016 £
At 1 September 2016	3,942,000	2,007,000
Upon conversion	-	1,076,000
Interest income	86,000	95,000
Actuarial gain	518,000	396,000
Employer contributions	480,000	306,000
Employee contributions	135,000	93,000
Estimated benefits paid	(83,000)	(31,000)
At 31 August 2017	5,078,000	3,942,000

The estimated value of employer contributions for the year ended 31 August 2018 is £502,000.

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which 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 individuals, employed by the Trust, are close family members of the Trustees and Senior Management and receive remuneration and benefits in respect of their employment as staff. The salaries and benefits paid have been determined in accordance with the Trust's remuneration policy. Where there is a husband and wife relationship, each spouse works in a different Trust school.

Mr Andrew Long	Husband of Mrs Victoria Long (Director)	£47,629
Mrs Christine Savage	Wife of Mr Alex Savage (Headteacher of St Mary's)	£12,026
Mr Simon Bennett	Son of Mrs Linda Bennett (Business Manager)	£21,524
Mr Thomas O'Connor	Husband of Mrs Julie O'Connor (Member)	£1,598

During the year ended 31 August 2016, £9,400 was paid by the Trust to Ormiston Venture Academy in connection with School Direct Teacher Training funding, at which the husband of Mrs Jodie Gilbert-Barnham is the Headteacher and at which she is an employee. The payment was made in accordance with the normal terms of the School Direct Teacher Training funding.

ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2017

25. FINANCIAL INSTRUMENTS

The carrying amounts of the academy's financial instruments are as follows:

Financial assets

	2017	2016
	£	£
Debt instruments measured at amortised cost:		
Trade debtors (note 13)	5,552	6,346
Accrued income (note 13)	83,224	126,915
Other debtors (note 13)	-	192,399
	<u>88,776</u>	<u>325,660</u>

Financial liabilities

	2017	2016
	£	£
Measured at fair value through net expenditure:		
Concessionary loans payable (note 14)	4,633	4,633
Measured at amortised cost:		
Trade creditors (note 14)	690,003	691,842
Other creditors (note 14)	34	21,914
Accruals (note 14)	172,970	155,429
	<u>867,640</u>	<u>873,818</u>