

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

**St John the Baptist**



**Catholic Multi Academy Trust**

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  
Professor Edward Acton  
Mr Fred Corbett  
Mrs Julie O'Connor  
Monsignor Tony Rogers

#### Directors (Trustees):

Professor Edward Acton	(Chairman)
Mr Glen Batchelor	
Mr Brian Conway	
Mrs Patricia Cox	(appointed 1 September 2017 and resigned 31 October 2018)
Mrs Priscilla Crane	(appointed 1 September 2017)
Mr Peter Godfrey	
Mrs Ruth Hollis	
Ms Mary Mustoe-Arthur	(appointed 1 September 2017)
Canon David Paul	
Mr Flavio Vettese	

#### Company Secretary:

Mr John Eady	(Until 31 March 2018)
Mr Peter Pažitka	(appointed 1 April 2018)

#### Key Management

Mr Brian Conway	(CEO)
Mr Peter Pažitka	(Director of Finance and Operations appointed 1 April 2018)
Mr Neil Cully	(Head of School of Notre Dame High School, appointed 1 September 2017)
Miss Rachel Swindell	(Head of School of St Augustine's, appointed 1 September 2017)
Mrs Veronica Short	(Headteacher of the Catholic Primary Schools of the Waveney Valley, until 31 August 2018)
Mrs Kim Payne	(Executive Head of St Francis of Assisi and St Augustine's) (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 until 31 December 2017)
Mrs Joanna Debbage	(Interim Director of Finance and Operations, from 1 January 2018 until 31 March 2018)

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **Reference and Administrative Details (continued)**

**Company Name:** St John the Baptist Catholic Multi Academy Trust

**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 2018**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. 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 six primary academies and one secondary academy in Norfolk and north Suffolk. Its academies have a combined pupil capacity of 2,702 and a combined roll of 2,781 in the school census on 18 January 2018.

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 Directors / Trustees who served during the year, and to the date these accounts are approved 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 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 any 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 (Directors), 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 2018**

#### **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 / Head of School 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, except for the Audit Committee which met twice during the reporting period.

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. An Executive Headteacher role at St Francis of Assisi and St Augustine's also acts as Primary Improvement Lead across the Trust.

In the year to 31 August 2018 the Trust's Board met four 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 close alignment 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 or are paid on spot salary scales. 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 (EPM Ltd.), should a grading review be required. Any change in salary grade would be with the approval of the Board of Trustees.

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2018

### Structure, governance and management (continued)

#### Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require relevant public sector employers to publish specified information related to facility time taken by trade union officials. The relevant information related to St John the Baptist Catholic Multi Academy Trust between 1 April 2017 and 31 March 2018 is published below:

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	3.6

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1-50%	3
51-99%	0
100%	0

#### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£8,413
Provide the total pay bill	£10,850,036
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.08%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0.00%
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## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2018**

#### **Structure, governance and management (continued)**

##### **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.

The detail of all Related Party Transactions is provided in the Notes to the Financial Statements.

#### **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 (and thereby life chances) for all of its pupils, by making its schools even better.

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

Specific priorities for the year ahead include:

- Continuing to drive improved educational standards at all of the Trust's schools
- Supporting newly appointed Heads of School, particularly at the Primary level, through the work of the Primary Improvement Lead
- Succession and structural planning for senior school roles across the Trust's schools
- Implementing the Diocesan strategy and vision regarding Catholic education within the Diocese of East Anglia

##### **Public Benefit**

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 (on their website at [Charities and Public Benefit](#)) 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 2018**

#### **Strategic Report**

##### **Achievements and Performance**

In July 2018 Ofsted inspected the Catholic Primary Schools of the Waveney Valley. St Edmunds achieved a 'Good' outcome in all areas. However, the Trust was disappointed that St Benet's assessment included a mixture of good and requires improvement areas, with an overall outcome of 'Requires Improvement'. The LGB and school management will focus on improvement strategies throughout the school year.

The outcomes for pupils at St Francis, St Augustine's, St Marys and St Edmunds are all significantly above national averages. Across the Primary Schools there are clear improvement plans to further increase attainment, including the MAT-wide use of PiXL and close monitoring by the CEO and Primary Improvement Lead.

Primary KS2 results are in general very good, with 69% of KS2 pupils across the MAT achieving the expected standard in Reading, Writing and Maths, compared to a national average of 61%.

Notre Dame High School continued to achieve excellent results at both GCSE and A level. For the second year running GCSE results were the highest in the county for a state school, on both attainment (with 88% of grades 9-4 pass rates) and progress (with a Progress 8 score of +0.55). A level results (81% A\*-C grades) continued to be strong, reflected in a record number of applications for Sixth Form places.

##### **Key Performance Indicators**

Achievements include:

- All schools, bar St Benet's, have Good or Outstanding Ofsted gradings.
- All schools have good or outstanding Section 48 Diocesan Inspection outcomes for Catholic Ethos.
- Notre Dame High School is the highest performing state school in Norfolk across a range of public examination measures for both progress and attainment.
- Notre Dame High School's successful bid to become one of 22 Research Schools nationwide, which will provide leadership opportunities, develop teaching programmes and train teachers across the eastern region.

##### **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 2018 the MAT generated an in-year surplus of £18k. This corresponds to the change in balance of restricted general funds (excluding pension reserve) plus unrestricted funds.

Out of the total income of £14,327k recognised in 2017/18 (£14,251k in 2016/17), over 91% or £13,099k related to Funding for the academy trust's educational operation. The GAG funding itself amounted to £11,652.

In 2017/18 there was a small 1% increase in expenditure which for the year 2017/18 reached £14,750k (£14,591k in 2016/17).

Due to the actuarial gain on defined benefit pension scheme the overall funds carried forward as at 31 August 2018 reached £230k (as opposed to a negative balance of £311k in August 2017).

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2018**

#### **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 2018 the balances of the reserves / funds held by the MAT were as follows:

Restricted fixed assets funds:	£1,991,000
Restricted general fund:	£125,000
Restricted pension reserve fund:	(£3,484,000)
Unrestricted general fund:	£1,553,000
Unrestricted designated fund:	£45,000

Reduction in the pension reserve deficit from £3,882,000 (31 August 2017) to £3,484,000 (31 August 2018) is mainly attributable to the in-year gain on the re-measurement of £964,000.

The target figure for minimum general reserves held (calculated as sum of restricted general reserves, unrestricted general reserves and designated funds) in 2017/18 remained at 8% of the total income or approximately £1,123,000. The actual reserves held reached £1,598,000, which is about 12.3% of the annual income recognised in 2017/18 (excl. restricted fixed assets funds).

##### **Investment Policy**

In accordance with the Academies Financial Handbook the Board of Directors / Trustees may invest to further the Trust's charitable aims, whilst ensuring that the investment risk is properly managed. As at 31 August 2018 the cash held by the Trust is mainly kept in the MAT's current bank accounts.

A sum of £1m has been invested into a fixed term 12 month interest earning account with the Trust's bank. The investment product is tightly controlled and the security of funds takes precedence over revenue maximisation.

##### **Principal Risks and Uncertainties**

The Trustees have responsibility to assess the strategic risks to which the academy trust and its constituent academies are exposed and have a risk management register which is updated at least annually or when the risk environment changes.

Chief risks identified include:

- Deficit in the Local Government Pension Schemes.
- 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 and increases in pension contributions.
- Expertise, capability and availability of Directors and Senior management in the challenging and competitive environment.

The possible increase in the liability of the defined benefit pension scheme is concerning. However, Trustees are confident that it can be managed from cash balances.

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.

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2018**

#### **Strategic Report (continued)**

Financial pressures on school budgets continue. The introduction of the apprenticeship levy has added additional cost pressures. The announcement of increases to teacher's remuneration and pension contributions represent a challenge which is carefully managed by prudent budgeting and tight budget controls.

The proposed changes to the national funding formula may also have negative financial implications on the schools in the Trust.

Rigorous process for appointment of Directors and Senior managers is in place together with appropriate training and development programmes and opportunities.

Despite all these risks the Trust continues to manage its finances well and invests its resources effectively and efficiently for the benefit of the current pupils and staff.

#### **Fundraising**

Fundraising from the public represents a very small part of the MAT's approach to raising money.

Rather than increase in the Trust's funds, the primary objective of many fundraising events held by the Trust or its constituent academies is generally to raise money for third party charities. The notion that we are connected to our neighbours as well as the principles of solidarity, subsidiarity and generosity are the main motivation behind any fundraising organised.

The Directors are aware of the importance of good fundraising practices and compliance with the Charities (Protection and Social Investment) Act 2016.

This covers:

- *The Trust's approach to fundraising* – described above;
- *Details of any work with, and oversight of, any commercial participators/professional fundraisers* – no commercial participators or professional fundraiser are involved;
- Confirmation that fundraising is conforming to recognised standards;
- *Details of the monitoring of fundraising carried out on its behalf* – The only fundraising carried out on behalf of the Trust or its academies is usually organised by Parent Teacher Associations (PTAs) of the individual schools. Representatives of the school are involved in any such activity to ensure a proper monitoring of any fundraising event;
- *Any complaints* – any complaints shall be directed to the Company Secretary of the Trust;
- *Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate* – participation in any fundraising event is organised on a voluntary basis with a due regard on the protection of the public.

#### **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.

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **TRUSTEES' REPORT (incorporating Strategic Report) for the year ended 31 August 2018**

#### **Funds held as Custodian Trustee on behalf of others**

The Trust does not hold any funds as a custodian Trustee on behalf of others.

Cluster funds distributed to the Catholic Schools cluster are managed through Notre Dame High School. In both cases accounts are administered through a Norfolk County Council (NCC) imprest account using the NCC STAR accounts accounting package.

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. The details are provided in the Note 27 to the accounts.

#### **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.

#### **Employee Involvement**

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. Frequent e-mail communication (e.g. weekly all staff bulletin at the NDHS) is used to share the up-to-date information and increase staff involvement.

#### **Employment of disabled persons**

The Trust gives full and fair consideration to applications for employment made by all minority groups, including disabled persons, having regard to their particular aptitudes and abilities. As with all employees, disabled employees receive appropriate training to promote their career development. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts. The Trust provides support through occupational health and access to work as appropriate.


#### **Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of 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.

In 2017/18, Lovewell Blake LLP were reappointed as auditors for the Trust.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on ...6-12-18.... and signed on the board's behalf by:



Professor Edward Acton  
Trustee

## ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

### GOVERNANCE STATEMENT for the year ended 31 August 2018

#### 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 Officer 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 Directors / Trustees has formally met 4 times during the year to 31 August 2018. Attendance during the year at meetings of the Board of Trustees was as follows:

Director / Trustee	Meetings attended	Out of a possible
Professor Edward Acton (Chair)	4	4
Mr Glen Batchelor	2	4
Mr Brian Conway (Accounting Officer)	4	4
Mrs Patricia Cox	3	4
Mrs Priscilla Crane	2	4
Mr Peter Godfrey	4	4
Mrs Ruth Hollis	3	4
Ms Mary Mustoe-Arthur	3	4
Rev David Paul	3	4
Mr Flavio Vettese	2	4

There were no changes to the composition of the Board during 2017/18.

The quality of data and information used by the Board remains good. The introduction of a new format for the management accounts report and increased frequency of the information being shared with the directors increased Board's awareness of the Trust's financial performance and position.

A reporting tool monitoring compliance with requirements of Academies Financial Handbook was introduced during the year.

The scope, the role and work of the Board remains varied and its main tasks and responsibilities are defined in the Trust's Scheme of Delegation (section 3.3). They include responsibilities:

- To determine and fulfil the shared vision and ethos of the Trust and the Academies
- To develop a strategic plan for the Trust and to effectively communicate that plan
- To develop and support strategic partnerships with other bodies and organisations
- To act as a critical friend to the Local Governing Bodies
- To determine and implement policies and procedures,

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **GOVERNANCE STATEMENT for the year ended 31 August 2018**

#### **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.

These areas were partly addressed by the appointment of a Director of Finance and Operations and by the appointment of a Primary Improvement Lead. The challenge response has also been strengthened by assigning a specific Trustee to monitor each school and ensure that any Board actions have been implemented.

Long term strategy for MAT development continues to 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.

#### **Committees**

The Resources Committee is a sub-committee of the main Board of Trustees. The Committee has responsibility for three key areas: finance, premises (incl. health & safety) and staffing.

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 Resources Committee meetings in the year was as follows:

<b>Director / Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs Ruth Hollis (Chair)	3	3
Professor Edward Acton	3	3
Mr Glen Batchelor	3	3
Mr Brian Conway (Accounting Officer)	3	3
Mrs Patricia Cox	3	3
Mr Flavio Vettese	2	3

## ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

### GOVERNANCE STATEMENT for the year ended 31 August 2018

The Audit Committee is also a sub-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 Audit Committee meetings in the year was as follows:

Director / Trustee	Meetings attended	Out of a possible
Mr Glen Batchelor	1	2
Mr Brian Conway (Accounting Officer)	2	2
Mrs Priscilla Crane	0	2
Mr Peter Godfrey	0	2
Mrs Mary Mustoe-Arthur (Chair)	2	2
Mr Flavio Vettese	2	2

Due to family and prior work engagements of some of the Directors the audit committee's attendance during the year was low.

The Board is addressing the issue to improve the functioning of the committee.

#### 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 by creating a central site team department. This provided 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.
- Appointment of Director of Finance and Operations with the view to strengthen the contract management and procurement functions.

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 also oversees bought-in professional services to ensure the Trust is getting value for money from the provision.

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **GOVERNANCE STATEMENT for the year ended 31 August 2018**

#### **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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

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

#### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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 LLP 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. The checks carried out in the current period focused on Key Financial Controls and included:

- testing of payroll systems and general internal controls,
- testing of purchase systems and income and expenditure controls,
- testing of control account/ bank reconciliations,
- financial planning, monitoring and management.

The internal audit engagement in May 2018 offered a number of recommendations two of which required immediate attention. Both recommendations were centred around the awareness of the Scheme of Delegation and the authorisation limits stipulated in the Scheme. Both recommendations have been promptly implemented by the Trusts and the Academies.

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**GOVERNANCE STATEMENT for the year ended 31 August 2018**


**Review of effectiveness**

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


- the work of the internal 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 audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6-12-18 and signed on its behalf by:



**Professor Edward Acton**  
Chair of Trustees



**Mr Brian 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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the multi academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance have been discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

- Financial issues

Issue 1: Instances had occurred during the year where the petty cash policy had not been followed with individual items over £30 being purchased.

Issue 2: It was noted during the year that less than 3 quotes were obtained when tendering for some capital and maintenance works.

Issue 3: One of the individual School's is reporting deficit reserves at the year-end for the second year in a row.

  
**Mr Brian Conway**  
Accounting Officer

Date: 6-12-18

## 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 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

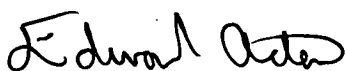
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Board of Trustees on 6-12-18 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  
YEAR ENDED 31 AUGUST 2018**

**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 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

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 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

**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 2018 the net book value of the land and buildings, after annual depreciation of £322,808, would be £15,109,940 thus increasing the restricted fixed asset fund to £17,100,441 and the overall net assets of the Academy to £15,339,678. 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.

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

### **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 academy 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' 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 academy 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 16, 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 academy 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.

**Use of our report**

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 trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Lovewell Blake LLP*  
MARK PROCTOR FCA DChA (Senior Statutory Auditor)  
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

17/12/18

Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

## **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 1 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St John the Baptist Catholic Multi Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to St 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament 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 2017 to 2018 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, or 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, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- Instances had occurred during the year where the petty cash policy had not been followed with individual items over £30 being purchased.
- It was noted during the year that less than 3 quotes were obtained when tendering for some capital and maintenance works.

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

**Conclusion (continued)**

- One of the individual School's is reporting deficit reserves at the year-end for the second year in a row.

*Lovewell Blake LLP*  
MARK PROCTOR FCA DChA (Reporting Accountant)  
LOVEWELL BLAKE LLP

*17/12/18*

Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2018**  
(including Income and Expenditure Account)

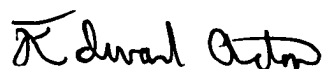
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Restricted Fixed Asset Funds £'000	Total 2018 £'000	Total 2017 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	2	30	-	283	313	462
Charitable activities:						
Funding for the academy trust's educational operations	3	-	13,099	-	13,099	13,143
Teaching schools	28	1	54	-	55	-
Other trading activities	4	475	376	-	851	640
Investments	5	9	-	-	9	6
<b>Total</b>		<b>515</b>	<b>13,529</b>	<b>283</b>	<b>14,327</b>	<b>14,251</b>
<b>Expenditure on:</b>						
Raising funds	6	76	-	-	76	62
Charitable activities:						
Academy trust educational operations	7	-	13,992	219	14,211	14,256
Teaching schools	28	-	54	-	54	-
Other		-	409	-	409	273
<b>Total</b>	<b>6</b>	<b>76</b>	<b>14,455</b>	<b>219</b>	<b>14,750</b>	<b>14,591</b>
<b>Net (expenditure) / income before transfers</b>		<b>439</b>	<b>(926)</b>	<b>64</b>	<b>(423)</b>	<b>(340)</b>
<b>Transfers between funds</b>	<b>17</b>	<b>(233)</b>	<b>172</b>	<b>61</b>	<b>-</b>	<b>-</b>
		<b>206</b>	<b>(754)</b>	<b>125</b>	<b>(423)</b>	<b>(340)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on defined benefit pension schemes	24	-	964	-	964	1,405
<b>Net movement in funds</b>		<b>206</b>	<b>210</b>	<b>125</b>	<b>541</b>	<b>1,065</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	17	1,392	(3,569)	1,866	(311)	(1,376)
<b>Total funds carried forward</b>	<b>17</b>	<b>1,598</b>	<b>(3,359)</b>	<b>1,991</b>	<b>230</b>	<b>(311)</b>

The notes on pages 29 to 52 form part of these financial statements.

**BALANCE SHEET at 31 August 2018**

	Note	2018 £'000	2017 £'000
<b>Fixed Assets</b>			
Tangible Assets	12	1,848	1,688
<b>Current Assets</b>			
Debtors	13	682	497
Investments		1,000	-
Cash at bank and in hand		<u>1,586</u>	<u>2,484</u>
		3,268	2,981
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	14	<u>(1,402)</u>	<u>(1,096)</u>
<b>Net current assets</b>		<u>1,866</u>	<u>1,885</u>
<b>Total assets less current liabilities</b>		3,714	3,573
Creditors: Amounts falling due after one year	15	<u>-</u>	<u>(2)</u>
<b>Net assets excluding pension liability</b>		3,714	3,571
Pension scheme liability	24	<u>(3,484)</u>	<u>(3,882)</u>
<b>Total net assets</b>		<u>230</u>	<u>(311)</u>
<b>Funds of the academy trust</b>			
<b>Restricted income funds</b>			
Fixed asset fund	17	1,991	1,866
General fund	17	125	313
Pension reserve	17	<u>(3,484)</u>	<u>(3,882)</u>
<b>Total restricted funds</b>	17	<u>(1,368)</u>	<u>(1,703)</u>
<b>Unrestricted income funds</b>			
General fund	17	1,553	1,347
Designated fund	17	45	45
<b>Total Funds</b>		<u>230</u>	<u>(311)</u>

The financial statements on pages 26 to 52 were approved by the Trustees, and authorised for issue on 6-12-18 and are signed on their behalf by:



**Professor Edward Acton**  
Chair of Trustees

The notes on pages 29 to 52 form part of these financial statements.

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**CASH FLOW STATEMENT**  
for the year ended 31 August 2018

	Notes	2018 £'000	2017 £'000
<b>Cash flows from operating activities</b>			
Net cash (used in)/from operating activities	20	190	189
<b>Cash flows from investing activities</b>	21	(85)	(145)
<b>Cash flows from financing activities</b>		(3)	-
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		102	44
 <b>Cash and cash equivalents at 1 September 2017</b>	22	 2,484	 2,440
		<hr/>	<hr/>
<b>Cash and cash equivalents at 31 August 2018</b>	22	<b>2,586</b>	<b>2,484</b>
		<hr/>	<hr/>

The notes on pages 29 to 52 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 2018**

#### **1. Statement of accounting policies and general information**

The academy trust is a company limited by guarantee and an exempt charity. The academy trust is registered in England and Wales. The address of the registered office is Notre Dame High School Norwich, Surrey Street, Norwich, NR1 3PB.

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 2017 to 2018 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, the receipt is probable and the amount can be measured reliably.

##### **• Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions and there is not unconditional entitlement to the income 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 2018**

#### **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.

##### **• 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.

##### **e) Agency Arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balance held are disclosed in note 27.

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

### 1. Statement of accounting policies (continued)

#### f) 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 £17,208k. 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.

#### g) 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.

#### h) Liabilities

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

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

#### **1. Statement of accounting policies (continued)**

##### **i) Leased assets**

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

##### **j) 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 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.

##### **k) 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.

##### **l) 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 quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised as they are paid each year.

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

#### **1. Statement of accounting policies (continued)**

##### **l) Pensions benefits continued**

###### ***Local Government Pension Scheme***

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

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

##### **m) 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.

##### **n) 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 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### **o) 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.

##### **p) 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.

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

### 2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
Donations	30	-	30	74
Capital grants	-	283	283	388
	30	283	313	462

The income from donations and capital grants was £313k (2017: £462k) of which £30k was unrestricted (2017: £74k), £nil restricted (2017: £nil) and £283k restricted fixed assets (2017: £388k).

Government grants of £283k (2017: £388k) were received from the ESFA.

### 3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
DfE/ESFA grants				
• General annual grant (GAG)	-	11,652	11,652	11,844
• School Direct Funding	-	144	144	154
• Other DfE/ESFA grants	-	918	918	958
	-	12,714	12,714	12,956
Other Government grants				
• Other grants	-	385	385	187
<b>Total educational operations</b>	-	13,099	13,099	13,143

Funding for the academy trust's educational operations was £13,099k (2017: £13,143k) of which £nil was unrestricted (2017: £10k), £13,099k restricted (2017: £13,133k) and £nil restricted fixed assets (2017: £nil).

### 4. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
Hire of facilities	34	-	34	12
Sales of goods and services	244	-	244	216
School trips and other income	197	376	573	412
	475	376	851	640

Income from other trading activities was £851k (2017: £640k) of which £475k was unrestricted (2017: £371k), £376k restricted (2017: £269k) and £nil restricted fixed assets (2017: £nil).

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**5. INCOME FROM INVESTMENTS**

	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
Bank interest	9	-	9	6
	<u>9</u>	<u>-</u>	<u>9</u>	<u>6</u>

Income from investments was £9k (2017: £6k) of which £9k was unrestricted (2017: £6k) £nil restricted (2017: £nil) and £nil restricted fixed assets (2017: £nil).

**6. EXPENDITURE**

	Staff costs	Non Pay Expenditure		Total 2018	Total 2017
		Premises	Other		
<b>Raising funds:</b>	-	-	76	76	62
<b>Charitable Activities:</b>					
Academy's educational operations (note 7)					
• Direct costs	9,080	-	1,057	10,137	10,209
• Allocated support costs	1,597	725	1,186	3,508	3,495
• FRS102 pension costs	566	-	-	566	552
<b>Other costs</b>	-	-	409	409	273
Teaching School	49	-	5	54	-
	<u>11,292</u>	<u>725</u>	<u>2,733</u>	<u>14,750</u>	<u>14,591</u>

Expenditure was £14,750k (2017: £14,591k) of which £76k was unrestricted (2017: £62k), £14,455k restricted (2017: £14,302k) and £219k restricted fixed assets (2017: £227k).

Net expenditure for the year includes:

		2018	2017
Operating lease rentals	- plant and machinery	15	17
Fees payable to auditor	- audit (see note 7)	18	18
	- other services (see note 7)	2	7
Depreciation		<u>217</u>	<u>227</u>

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**7. CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2018 £000</b>	<b>Total 2017 £000</b>
Direct costs – educational operations	-	10,137	10,137	10,207
Support costs – educational operations	-	3,508	3,508	3,497
FRS102 pension costs	-	566	566	552
	-	14,211	14,211	14,256

Expenditure on direct costs was £10,137k (2017: £10,207k) of which £nil was unrestricted (2017: £ nil), £9,918k restricted (2017: £9,980k) and £219k restricted fixed assets (2017: £227k).

<b>Analysis of support costs</b>	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Total 2018 £'000</b>	<b>Total 2017 £'000</b>
Support staff costs	-	1,470	1,470	1,533
Maintenance of premises and equipment	-	215	215	179
Cleaning and refuse	-	97	97	84
Rent and rates	-	73	73	56
Energy costs	-	196	196	170
Insurance	-	140	140	92
Security	-	4	4	7
Transport	-	29	29	29
Catering	-	358	358	360
Technology costs	-	211	211	219
Recruitment and support	-	126	126	86
Bank interest and charges	-	5	5	2
Other support costs	-	234	234	238
Governance costs (see below)	-	350	350	442
	-	3,508	3,508	3,497

Support costs totalled £3,508 (2017: £3,497k) of which £nil was unrestricted (2017: £nil), £3,508k restricted (2017: £3,497k) and £nil restricted fixed assets (2017: £nil).

<b>Analysis of governance costs</b>	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2018 £000</b>	<b>Total 2017 £000</b>
Staff cost	-	127	127	136
Legal and professional fees	-	203	203	281
Auditor's remuneration	-			
- Audit of financial statements	-	18	18	18
- Non audit costs	-	2	2	7
	-	350	350	442

Governance costs totalled £350k (2017: £442k) of which £nil was unrestricted (2017: £Nil), £350k restricted (2017: £442k) and £nil restricted fixed assets (2017: £Nil).

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**8. STAFF COSTS**

	<b>2018 £'000</b>	<b>2017 £'000</b>
Staff costs during the period were:		
Wages and salaries	8,383	8,573
Social security costs	744	775
Pension costs	928	896
Operating costs of defined benefit pension schemes	1,073	1,032
	<u>11,128</u>	<u>11,276</u>
Supply staff costs	164	105
Staff restructuring costs	-	38
	<u>11,292</u>	<u>11,419</u>
Staff restructuring costs comprise:		
Redundancy payments	-	28
Severance payments	-	10
	<u>-</u>	<u>38</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2017: £10k).

**c. Staff numbers**

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

	<b>2018 No.</b>	<b>2017 No.</b>
<b>Charitable Activities</b>		
Teachers	168	159
Administration and support	205	275
Management	20	20
	<u>393</u>	<u>454</u>

**d. Higher paid staff**

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

	<b>2018 No.</b>	<b>2017 No.</b>
£60,001 - £70,000	3	2
£70,001 - £80,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	<u>6</u>	<u>5</u>

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

### 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 and employer National insurance) received by key management personnel for their services to the academy trust was £653k (2017: £663k).

### 9. CENTRAL SERVICES

Central services charges totalled £642k (2017: £532k).

	2018 £'000	2017 £'000
Notre Dame High School, Norwich	358	282
St Augustine's, Norwich	56	51
St Benet's, Beccles	21	16
St Edmund's, Bungay	21	18
St Francis of Assisi, Norwich	93	84
St Mary's, Lowestoft	45	42
St Mary and St Peter, Gorleston	48	40
	<hr/>	<hr/>
Total charge	642	533

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	Online payments system – Wisepay
Governor Hub and training	Asset management system

Central services are charged at 5.5% of the GAG funding received by the constituent Academies.

## **ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

#### **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 £100,000 - £105,000 (2017: £90,000 - £95,000)

Employer's pension contributions £15,000 - £20,000 (2017: £15,000 - £20,000)

Mrs Victoria Long (Trustee) – resigned 31 August 2017

Remuneration £nil (2017: £55,000 - £60,000)

Employer's pension contributions £nil (2017: £5,000 - £10,000)

Mrs Kim Payne (Trustee) – resigned 31 August 2017

Remuneration £nil (2017: 70,000 - £75,000)

Employer's pension contributions £nil (2017: £10,000 – £15,000)

During the period ended 31 August 2018 travel and subsistence expenses totalling £nil (2017: £nil) were reimbursed or paid directly to no Trustees (2017: none).

Other related party transactions involving the Trustees are set out in note 25.

#### **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 £2,000k on any one claim and the cost for the period ended 31 August 2018 was £2k (2017: £1k). The cost of this insurance is included in the total insurance cost.

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**12. TANGIBLE FIXED ASSETS**

	Long Leasehold Land £'000	Improvements to leasehold land and buildings £'000	Furniture and equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total 2018 £'000
<b>Cost or valuation</b>						
At 1 September 2017	189	507	1,366	694	21	2,777
Additions	-	320	24	33	-	377
At 31 August 2018	189	827	1,390	727	21	3,154
<b>Depreciation</b>						
At 1 September 2017	4	11	554	505	15	1,089
Charged in period	2	13	138	62	2	217
At 31 August 2018	6	24	692	567	17	1,306
<b>Net book values</b>						
At 31 August 2018	183	803	698	160	4	1,848
At 1 September 2017	185	496	813	188	6	1,688

All assets are used for educational purposes.

<b>13. DEBTORS</b>	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	36	6
Prepayments and accrued income	342	349
Other debtors	7	-
VAT recoverable	297	142
	<u>682</u>	<u>497</u>
<b>14. CREDITORS:</b>	<b>2018</b>	<b>2017</b>
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>£'000</b>	<b>£'000</b>
Trade creditors	728	690
Other creditors	47	-
Loans	2	3
Accruals and deferred income	625	403
	<u>1,402</u>	<u>1,096</u>

Loans within one year is a Salix loan of £2k (2017: £3k) 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 2018**

<b>15. CREDITORS (continued):</b>	<b>2018</b>	<b>2017</b>
<b>AMOUNTS FALLING DUE AFTER ONE YEAR</b>	<b>£'000</b>	<b>£'000</b>
Loans	-	2
	<u>-</u>	<u>2</u>

Loans after one year is a Salix loan of £nil (2017: £2k) 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.

**16. DEFERRED INCOME**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Deferred income at 1 September 2017	230	191
Resources deferred in the year	466	230
Amounts released from previous years	<u>(230)</u>	<u>(191)</u>
Deferred income at 31 August 2018	<u>466</u>	<u>230</u>

Deferred income represents government funding and student trip income received in the year ended 31 August 2018 which relates to the year ended 31 August 2019.

**17. FUNDS**

	<b>Balance at 1 September 2017 £'000</b>	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Gains, losses and transfers £'000</b>	<b>Balance at 31 August 2018 £'000</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	221	11,652	(11,970)	155	58
Other DfE / ESFA / Government grants	71	1,501	(1,510)	3	65
Salix loan	(5)	-	-	3	(2)
School fund	17	376	(409)	11	(5)
Sorensen fund	9	-	-	-	9
Pension reserve	<u>(3,882)</u>	<u>-</u>	<u>(566)</u>	<u>964</u>	<u>(3,484)</u>
	<u>(3,569)</u>	<u>13,529</u>	<u>(14,455)</u>	<u>1,136</u>	<u>(3,359)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	762	283	(68)	-	977
GAG contribution	587	-	(58)	61	590
Donated assets	<u>517</u>	<u>-</u>	<u>(93)</u>	<u>-</u>	<u>424</u>
	<u>1,866</u>	<u>283</u>	<u>(219)</u>	<u>61</u>	<u>1,991</u>
<b>Total restricted funds</b>	<u>(1,703)</u>	<u>13,812</u>	<u>(14,674)</u>	<u>1,197</u>	<u>(1,368)</u>
<b>Unrestricted funds</b>					
General fund	1,347	515	(76)	(233)	1,553
Designated fund	<u>45</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45</u>
<b>Total unrestricted funds</b>	<u>1,392</u>	<u>515</u>	<u>(76)</u>	<u>(233)</u>	<u>1,598</u>
<b>Total funds</b>	<u>(311)</u>	<u>14,327</u>	<u>(14,750)</u>	<u>964</u>	<u>230</u>

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**17. FUNDS (continued)**

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	114	11,844	(12,064)	327	221
Other DfE / ESFA / Government grants	194	1,289	(1,413)	1	71
Salix loan	(5)	-	-	-	(5)
School fund	12	269	(273)	9	17
Sorensen fund	9	-	-	-	9
Pension reserve	(4,735)	-	(552)	1,405	(3,882)
	(4,411)	13,402	(14,302)	1,742	(3,569)
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	385	388	(11)	-	762
GAG contribution	594	-	(184)	177	587
Donated assets	549	-	(32)	-	517
	1,528	388	(227)	177	1,866
<b>Total restricted funds</b>	(2,883)	13,790	(14,529)	1,919	(1,703)
<b>Unrestricted funds</b>					
General fund	1,462	461	(62)	(514)	1,347
Designated fund	45	-	-	-	45
<b>Total unrestricted funds</b>	1,507	461	(62)	(514)	1,392
<b>Total funds</b>	(1,376)	14,251	(14,591)	1,405	(311)

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 2018. 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.

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

### 17. FUNDS (continued)

**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.

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

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	114	23,496	(24,034)	482	58
Other DfE / ESFA / Government grants	194	2,790	(2,923)	4	65
Salix loan	(5)	-	-	3	(2)
School fund	12	645	(682)	20	(5)
Sorensen fund	9	-	-	-	9
Pension reserve	(4,735)	-	(1,118)	2,369	(3,484)
	<u>(4,411)</u>	<u>26,931</u>	<u>(28,757)</u>	<u>2,878</u>	<u>(3,359)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	385	671	(79)	-	977
GAG contribution	594	-	(242)	238	590
Donated assets	549	-	(125)	-	424
	<u>1,528</u>	<u>671</u>	<u>(446)</u>	<u>238</u>	<u>1,991</u>
<b>Total restricted funds</b>	<u>(2,883)</u>	<u>27,602</u>	<u>(29,203)</u>	<u>3,116</u>	<u>(1,368)</u>
<b>Unrestricted funds</b>					
General fund	1,462	976	(138)	(747)	1,553
Designated fund	45	-	-	-	45
<b>Total unrestricted funds</b>	<u>1,507</u>	<u>976</u>	<u>(138)</u>	<u>(747)</u>	<u>1,598</u>
<b>Total funds</b>	<u>(1,376)</u>	<u>28,578</u>	<u>(29,341)</u>	<u>2,369</u>	<u>230</u>

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**17. FUNDS (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2018 were allocated as follows

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Notre Dame High School, Norwich	1,009	967
St Augustine's, Norwich	109	128
St Benet's, Beccles	2	23
St Edmund's, Bungay	(19)	(19)
St Francis of Assisi, Norwich	132	174
St Mary's, Lowestoft	105	101
St Mary and St Peter, Gorleston	82	139
St John the Baptist Catholic Multi Academy Trust	303	192
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	1,723	1,705
Restricted fixed asset fund	1,991	1,866
Pension reserve	(3,484)	(3,882)
	<hr/>	<hr/>
Total funds	<u>230</u>	<u>(311)</u>

**Analysis of academies by cost**

Expenditure incurred by each academy during the year was as follows

	<b>Teaching and educational support staff costs £'000</b>	<b>Other support staff costs £'000</b>	<b>Educational supplies and services £'000</b>	<b>Other costs (excluding depreciation) £'000</b>	<b>Total 2018 £'000</b>	<b>Total 2017 £'000</b>
Notre Dame High School, Norwich	4,732	1,207	194	1,292	7,425	7,927
St Augustine's, Norwich	924	153	37	194	1,308	1,216
St Benet's, Beccles	284	59	11	103	457	441
St Edmund's, Bungay	290	59	12	108	469	509
St Francis of Assisi, Norwich	1,362	296	67	377	2,102	1,879
St Mary's, Lowestoft	614	109	21	204	948	897
St Mary and St Peter, Gorleston	780	160	17	246	1,203	1,063
St John the Baptist Trust	143	120	-	358	621	432
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>	<b>9,129</b>	<b>2,163</b>	<b>359</b>	<b>2,882</b>	<b>14,533</b>	<b>14,364</b>

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**17. FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 August 2018 are represented by:

	Unrestricted £'000	Restricted Funds £'000	Pension Liability £'000	Restricted fixed asset funds £'000	Total 2018 £'000
Tangible fixed assets	-	-	-	1,848	1,848
Net current assets	1,598	125	-	143	1,866
Pension scheme liability	-	-	(3,484)	-	(3,484)
<b>Total net assets</b>	<b>1,598</b>	<b>125</b>	<b>(3,484)</b>	<b>1,991</b>	<b>230</b>

Fund balances at 31 August 2017 are represented by:

	Unrestricted £'000	Restricted funds £'000	Pension Liability £'000	Restricted fixed asset funds £'000	Total 2017 £'000
Tangible fixed assets	-	-	-	1,688	1,688
Net current assets	1,392	315	-	178	1,885
Creditors due after one year	-	(2)	-	-	(2)
Pension scheme liability	-	-	(3,882)	-	(3,882)
<b>Total net assets</b>	<b>1,392</b>	<b>313</b>	<b>(3,882)</b>	<b>1,866</b>	<b>(311)</b>

**18. CAPITAL COMMITMENTS**

	2018 £'000	2017 £'000
Contracted for, but not provided in the financial statements	24	47

**19. FINANCIAL COMMITMENTS**

**Operating leases**

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

	2018 £'000	2017 £'000
<b>Assets other than land and buildings</b>		
Operating leases which expire:		
Within one year	13	15
Within two to five years	10	15
	<u>23</u>	<u>30</u>

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

### 20. RECONCILIATION OF NET EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2018 £'000	2017 £'000
Net (expenditure)	(423)	(340)
Depreciation	217	227
Capital grants from DfE and other capital income	(283)	(388)
Interest receivable	(9)	(6)
Pension scheme liability on conversion	53	-
Defined benefit pension scheme cost less contributions payable	393	453
Defined benefit pension scheme finance cost	120	99
(Increase)/decrease in debtors	(185)	111
Increase in creditors	307	33
<b>Net cash provided by operating activities</b>	<b>190</b>	<b>189</b>

### 21. CASH FLOWS FROM INVESTING ACTIVITIES

	2018 £'000	2017 £'000
Capital grants from DfE/ESFA	283	388
Interest received	9	6
Purchase of tangible fixed assets	(377)	(539)
<b>Net cash (used in) / provided by investing activities</b>	<b>(85)</b>	<b>(145)</b>

### 22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2017 £'000	Cash flows £'000	At 31 August 2018 £'000
Cash in hand and at bank	2,484	(898)	1,586
Investments	-	1,000	1,000
	<b>2,484</b>	<b>102</b>	<b>2,586</b>

### 23. 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.

### 24. 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 2018**

#### **24. 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' 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%

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 £932k (2017: £920k).

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 2018

### 24. 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 2018 was £639k (2017: £615k), of which employer's contributions totalled £507k (2017: £480k) and employees' contributions totalled £132k (2017: £135k). 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 2018	At 31 August 2017
	%	%
Rate of increase in salaries	2.7	2.7
Rate of increase for pensions in payment/inflation	2.4	2.4
Discount rate for scheme liabilities	2.8	2.5
Inflation assumption (CPI)	2.3	2.7
Commutation of pensions to lump sums	50% & 75%	50% & 75%

##### Suffolk County Council

	At 31 August 2018	At 31 August 2017
	%	%
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5
Inflation assumption (CPI)	2.3	2.7
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 2018	At 31 August 2017
<i>Retiring today</i>		
Males	22.1	22.1
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	24.1	24.1
Females	26.4	26.4

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)**

**Suffolk County Council**

	<b>At 31 August 2018</b>	<b>At 31 August 2017</b>
<i>Retiring today</i>		
Males	21.9	21.9
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	23.9	23.9
Females	26.4	26.4

**Sensitivity analysis**

	<b>Approximate % increase to defined benefit obligation (average)</b>	<b>Approximate Monetary amount (£000s)</b>
0.5% increase in real discount rate	13	1,391
0.5% increase in salary increase rate	3	1,164
0.5% increase in pension increase rate	10	950

The academy trust's share of the assets in the scheme were:

	<b>Fair value at 31 August 2018 £'000</b>	<b>Fair value at 31 August 2017 £'000</b>
Equity instruments	3,139	3,091
Debt instruments	2,001	1,291
Property	709	599
Cash	168	97
<b>Total market value of assets</b>	<b>6,017</b>	<b>5,078</b>

The actual return on scheme assets was £327k (2017: £604k).

<b>Amounts recognised in the Statement of Financial Activities</b>	<b>2018 £'000</b>	<b>2017 £'000</b>
Current service cost	900	933
Past service cost	17	-
Interest income	(134)	(86)
Interest cost	237	185
<b>Total amount recognised on SOFA</b>	<b>1,020</b>	<b>1,032</b>

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

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

	2018 £'000	2017 £'000
At 1 September 2017	8,960	8,677
On conversion	126	-
Current service cost	900	933
Past service cost	17	-
Interest cost	237	185
Employee contributions	132	135
Actuarial (gain)	(771)	(887)
Benefits paid	(100)	(83)
At 31 August 2018	9,501	8,960

## 24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

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

	2018 £'000	2017 £'000
At 1 September 2017	5,078	3,942
On conversion	73	-
Interest income	134	86
Actuarial gain	193	518
Employer contributions	507	480
Employee contributions	132	135
Estimated benefits paid	(100)	(83)
At 31 August 2018	6,017	5,078

## 25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial year.

### Expenditure Related Party Transaction

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.

# ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018

### 25. RELATED PARTY TRANSACTIONS (CONTINUED)

Roman Catholic	Landlord of MAT land and buildings:	
Diocese of East Anglia	Payment to RCDEA	£17,995
	Receipt from RCDEA	£61
	Balance at year end	£251
The Yare	Fred Corbett is a local governor at	
Education Trust	Thorpe St Andrew's school	£274
Mrs Christine Savage	Wife of Mr Alex Savage (Headteacher of St Mary's)	£12,434
Mr Simon Bennett	Son of Mrs Linda Bennett (Business Manager)	£7,458
Mr Thomas O'Connor	Husband of Mrs Julie O'Connor (Member)	£1,468
Mrs Mary Mustoe-Arthur	Director of Callander Associates Ltd	£1,205

### 26. FINANCIAL INSTRUMENTS

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

#### *Financial assets*

	2018 £'000	2017 £'000
Debt instruments measured at amortised cost:		
Trade debtors (note 13)	36	6
Accrued income (note 13)	78	83
Other debtors (note 13)	7	-
	<u>121</u>	<u>89</u>

#### *Financial liabilities*

	2018 £'000	2017 £'000
Measured at fair value through net expenditure:		
Concessionary loans payable (note 14)	2	5
Measured at amortised cost:		
Trade creditors (note 14)	241	690
Other creditors (note 14)	38	-
Accruals (note 14)	159	173
	<u>440</u>	<u>868</u>

### 27. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the academy trust received £28k and disbursed £18k from the fund. An amount of £10k is included in other creditors relating to undistributed funds that are repayable to ESFA

**ST JOHN THE BAPTIST CATHOLIC MULTI ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2018**

**28. TEACHING SCHOOL TRADING ACCOUNT**

	£'000	2018 £'000	£'000	2017 £'000
<b>Income</b>				
<b>Direct Income</b>				
Other income	54		-	
<b>Other Income</b>				
Fundraising and other trading activities	<u>1</u>	<b>55</b>	<u>-</u>	<u>-</u>
<b>Expenditure</b>				
<b>Direct costs</b>				
Direct staff costs	<u>32</u>		<u>-</u>	
<b>Total direct costs</b>		<b>32</b>		-
<b>Other costs</b>				
Support staff costs	17		-	
Recruitment and support	4		-	
Other support costs	<u>1</u>		<u>-</u>	
<b>Total other costs</b>		<b>22</b>		<u>-</u>
<b>Total expenditure</b>		<b>(54)</b>		<u>-</u>
<b>Surplus from all sources</b>		<b>1</b>		-
<b>Teaching school balances at 1 September 2017</b>		<u>-</u>		<u>-</u>
<b>Teaching school balances at 31 August 2018</b>		<u><b>1</b></u>		<u>-</u>