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Registered number: 08148675 (England and Wales)

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST COMPANY, ITS MEMBERS/
DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	His Eminence Vincent Cardinal Nichols Mr P Barber The Right Revd John Sherrington Mr M Morton
Directors	Mr P Barber, Chairman and Director ¹ Mr M Tissot, Chief Executive ^{1,3} Mr M Morton, Chairman of local St George's Catholic School local Board and Director ^{1,2} Mr N Wisden, Vice Chairman ^{1,2} Mrs K Griffin ¹ Mrs A Clark, Vice Chair of St George's Catholic School local Board ^{1,2,3} Mr P Camoletto ¹ Mr J R Meadows, Chairman of local St Thomas More Catholic School local Board and Director ^{1,3} <div style="margin-left: 40px;">¹ Strategic board ² St George's Catholic School local board ³ St Thomas More Catholic School local board</div>
Company registered number	08148675
Company name	The Cardinal Hume Academies Trust
Principal and registered office	St George's Catholic School Lanark Road Maida Vale London W9 1RB
Company secretary	Olayinka Moshood Ogunyomi
Chief executive officer	Martin Tissot
Senior management team	Martin Tissot Olayinka Moshood Ogunyomi Susan Proios
Independent auditors	Landau Baker Limited Chartered Accountants Statutory Auditors Mountcliff House 154 Brent Street London NW4 2DR

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST COMPANY, ITS DIRECTORS
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Solicitors	Winckworth Sherwood LLP Minerva House 5 Montagu Close London SE1 9BB
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THE CARDINAL HUME ACADEMIES TRUST
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual Report serves the purposes of both a Directors' Report, and a Directors' report under company law.

Structure, governance and management

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the Charitable Company is the operation of a "multi academy trust" to establish, maintain, carry on, manage and develop in the United Kingdom Catholic schools for the advancement of the Catholic religion designated as such ("the Academies") which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law. The Academy Trust Company must have regard to any advice and follow any directive issued by the Archbishop of Westminster.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Academies during the period are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care, to raise the standard of educational achievement of all pupils;
- To improve the effectiveness of the Academies by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To conduct the Academies' business in accordance with the highest standards of integrity, probity and openness.

The Academies' vision is to create:

- A strong ethos of achievement leading to improved standards;
- Appropriate thinking skills.

This is achieved through developing:

- A sense of personal identity;
- A sense of belonging to an individual academy and an understanding of the Catholic character of that academy;
- An emphasis on personal and community responsibility;
- A positive learning climate in terms of the nature of courses offered and teaching styles utilised; and
- Positive relationships with external partners.

c. PUBLIC BENEFIT

In setting the objectives, the Directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Achievements and performance

a. REVIEW OF ACTIVITIES

According to performance indicators, the schools within the Cardinal Hume Academies Trust continue to thrive and do well by their pupils. This is a year of transition because the government has moved to a new set of KS4 metrics by which schools are measured. To make the concomitant adjustments to courses and delivery methods takes time and we will not see the full fruits of our efforts for another two years. Nevertheless, the academic results in both schools have held up well although the published progress 8 scores are not as high as we would ideally wish for. St George's is at 0 in published tables and St Thomas More at 0.3. However, this is first entry and the schools have best-entry progress 8 equivalent scores which are calculated as being higher (0.2 and 0.9). A level results remain good in both schools with improvements in value-added numbers in both Centres. Both schools are focussed upon improving pupil progress and are implementing rigorous and robust internal testing systems. Grading systems have been harmonised allowing for easier benchmarking.

Our funding position as a Trust is now more stable as St Thomas More has been successful in securing estimating funding for 15/16 and 16/17. This has facilitated forward planning and reducing cash-flow problems. The rolls of both schools continue to rise with oversubscription through the PAN London application scheme. Both schools have continued to fund summer school provision, a wide range of after-school clubs, homework clubs and after-school, Saturday and holiday teaching for examination groups.

The Trust has been strengthened by the addition of Bishop Douglass Catholic School in Finchley. It is in a process of recovery and improvement and last year secured the highest progress 8 scores amongst the three member school (0.5 first entry), (0.92 best entry).

The schools are all need of infrastructure projects to improve the condition of teaching premises.

Financial review

a. GOING CONCERN

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

b. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy Trust Company and its academies are exposed to a number of financial risks including credit, cash flow and liquidity risks. Given academies' exposure to financial instruments is limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Academy Trust Company's system of internal controls ensures risk is minimal in these areas.

Both schools maintain a rag-rated risk register and are taking the appropriate action to mitigate identified risks. The parameters are reviewed as new risks arise.

Actions taken to reduce risk include ensuring an adequate level of insurance cover in both schools. Both schools have a HR contract and Legal services contract which ensures that timely advice can be sought.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

c. RESERVES POLICY

Reserves at the end of the period amounted to £2,601,818 (2015 - £1,645,710) before deducting the Local Government Pension Scheme deficit of £3,277,000 (2015 - £1,715,000). The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Directors will keep this level of reserves under review.

d. CONSTITUTION

The Academy Trust Company is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Directors of The Cardinal Hume Academies Trust are also the directors of the Charitable Company for the purpose of company law.

The Charitable Company is known as The Cardinal Hume Academies Trust.

Details of the Directors who served during the year are included in the Reference and administrative details on page 1.

The Charitable Company is a multi-academy trust and comprises the following academies:

St George's Catholic School, Maida Vale
St Thomas More Catholic School, Wood Green

The principal activity of the Charitable Company is to advance, for the public benefit, Catholic education in the Diocese of Westminster and the surrounding area by maintaining and operating The Cardinal Hume Academies Trust.

e. 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.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

f. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF DIRECTORS

The management of the Academy Trust Company is the responsibility of the Directors who are elected and co-opted under the terms of the Memorandum and Articles of Association.

Under the terms of the Charitable Company's Articles of Association, the Company shall have the following Directors who are also the charity trustees:

- Directors appointed by the Board
- Foundation Directors appointed by the Archbishop of Westminster;
- Academy Directors being the elected Chairs of the Local Governing Bodies of the Academies;
- A Chief Executive Officer;
- Sponsor Directors nominated by the Local Governing Body of St George's Catholic School;
- Up to 2 Directors appointed by the Secretary of State for Education; and
- Up to 3 co-opted Directors.

The term of office for any director (other than an ex-officio Director) shall be four years. Subject to remaining eligible to be a particular type of director, any director may be reappointed or re-elected. Foundation Directors outnumber all other Directors by at least two.

g. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF DIRECTORS

During the period under review, the Directors held 3 meetings. The training and induction provided for new Directors will depend on their existing experience. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new Directors are given a tour of the Academies and the chance to meet with staff and pupils. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors and charity trustees.

h. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

Each school within the Academy Trust operates a robust Pay Policy which set out the framework for making decisions on staff pay. It has been developed to comply with the current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD). The objective of the policy is to:

- ensure that pay and staffing arrangements enable the current and future delivery of the curriculum and academy improvement plans;
- support the recruitment and retention of high quality staff;
- recognise and reward staff for their contribution to Academy improvement;
- ensure that pay decisions are made in a fair and transparent way; and
- ensure that budgetary funds are allocated appropriately.

Remuneration awards in the year are subject to the key management personnel demonstrating a sustained high quality of performance, as indicated by the extent to which objectives delineated in his/her annual Performance Management appraisal have been met. A discretionary time-limited pay award for key personnel who have reached the top of their relevant pay range may be awarded. The Executive Head teacher ensures that all pay recommendations are presented to the appropriate Governors' pay committee. The Executive Headteacher's pay is reviewed by a separate committee of the Academy Trust.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

i. ORGANISATIONAL STRUCTURE

The Charitable Company has established a management structure to enable its efficient running. The structure consists of two levels, the Directors and the executives who form the senior leadership team who meet together as the "Strategic Board".

The Strategic Board has considered its role thoughtfully and decided that the role of the Directors is to approve the strategic direction and objectives of the Charitable Company and monitor its progress towards these objectives. Directors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Charitable Company by use of budgets and making major decisions about the direction of the Charitable Company, including capital expenditure and senior staff appointments.

The Strategic Board has approved a formal detailed Scheme of Delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

j. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Charitable Company works in collaboration with the Diocese of Westminster Education Service, which operates within the authority given to it by the Archbishop of Westminster, for the delivery of Catholic education within the Academies within the Trust.

k. DIRECTORS' INDEMNITIES

Subject to the provisions of the Companies Act, every director or other officer of the Charitable Company shall be indemnified out of the assets of the Charitable Company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charitable Company.

Plans for future periods

a. FUTURE DEVELOPMENTS

To review key functions within the Academy Trust to ascertain whether further centralisation can reduce costs without compromising efficiency. Key areas to examine are Finance, school improvement services and continuing professional development.

All schools will wish to bid for funding to undertake major reparation works. St George's governors are examining the offer to expand the size of the school by one form of entry as from 2018-19. This will entail bidding for funds from the EFA. St Thomas More is looking to upgrade canteen facilities. Bishop Douglass has old water and heating pipework which requires renewal.

All schools are reviewing the school day and curriculum offer and will consult if appropriate on lengthening the school day. This is being driven by Mathematics GCSE being more challenging for pupils and the need to find more input time across all year groups 7-11.

The Governors are aware that real reductions in funding are likely in the future due to the introduction of National Fair Funding in 2018-19. All bursars are working together to review key aspects of our operations and benchmarking costs against other providers to ensure value for money. Highlighted for review and benchmarking is spending on after school 'homework' clubs and overall catering costs.

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DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

This report was approved by order of the Strategic Board as the company directors, on 13 December 2016 and signed on its behalf by:



Mr P Barber
Chairman of Directors

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

GOVERNANCE

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

Director	Meetings attended	Out of a possible
Mr P Barber, Chairman and Director	2	4
Mr M Tissot, Chief Executive	3	4
Mr M Morton, Chairman of local St George's Catholic School local Board and Director	4	4
Mr N Wisden, Vice Chairman	4	4
Mrs K Griffin	3	4
Mrs A Clark, Vice Chair of St George's Catholic School local Board	4	4
Mr P Camoletto	1	4
Mr J R Meadows, Chairman of local St Thomas More Catholic School local Board and Director	3	4

This report covers the 12 month period to 31 August 2016. The Academy Trust had 2 member schools at that date. The Strategic Board of the Academy Trust Company has been drawn from representatives appointed on behalf of the Archbishop, Chairs of the Local Governing Bodies and the Executive Principal of the Academies. The Academy Trust Company has followed four principles to guide its operation and practices:

1. Catholic Ecclesiology.
2. Minimisation of bureaucratic structure.
3. Equality of access.
4. Minimum change at point of conversion for schools.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal has responsibility for ensuring that the Academy Trust Company 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 Academy Trust Company's use of its resources has provided good value for money during each academic year, and reports to the Strategic Board where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust Company has delivered improved value for money during the year by:

Taking steps to secure examination results that class as being in the "Outstanding category for each school.

Ensuring major purchasing decisions are taken centrally by the Finance departments in all schools with an

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GOVERNANCE STATEMENT (continued)

increasing amount of joint purchasing to ensure the best discounts. Rationalising provision of ICT support across 2 schools.

Comparing prices through Internet suppliers.

Using collaboration on staff training to ensure standards are driven up for least cost.

Discussing with other Academies to source best value pricing.

Successful Tender and bid processes for major developments: Fire Safety works at St Thomas More and Roof Repairs at St George's.

School spend is benchmarked by the two schools' Finance departments using the DfE tool on the Financial Benchmarking website.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust Company 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 The Cardinal Hume Academies Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Strategic Board has reviewed the key risks to which the Academy Trust Company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Strategic Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust Company's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Strategic Board.

THE RISK AND CONTROL FRAMEWORK

The Academy Trust Company'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 Strategic Board;
- regular reviews by the Strategic Board 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 Strategic Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the directors have appointed:

- Mr P Bonn, (not a Trustee or Governor), as Responsible Officer (RO);
- Buzzacott LLP, an external consultancy, to perform additional checks.

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GOVERNANCE STATEMENT (continued)

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

REVIEW OF EFFECTIVENESS

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

- the work of the Responsible Officer;
- the work of the external ;
- the work of the executive managers within the Academy Trust Company 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 Strategic Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Strategic Board on 13 December 2016 and signed on their behalf, by:



Paul Barber
Chair of Trustees



Martin Tissot
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Cardinal Hume Academies Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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 2015.

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



Martin Tissot
Accounting Officer

Date: 13 December 2016

THE CARDINAL HUME ACADEMIES TRUST
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STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Directors of the Cardinal Hume Academies Trust (who are also its charity trustees under the Charities Acts) are responsible for preparing the Directors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

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

The Directors 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 Strategic Board on 13 December 2016 and signed on its behalf by:



Paul Barber
Chairman of Directors

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CARDINAL HUME ACADEMIES TRUST**

We have audited the financial statements of The Cardinal Hume Academies Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the Company's charity trustees under the Charities Acts) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 2015 to 2016 issued by the Education Funding Agency.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CARDINAL HUME ACADEMIES TRUST**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Michael Durst (Senior Statutory Auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
13 December 2016

THE CARDINAL HUME ACADEMIES TRUST
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
CARDINAL HUME ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 15 May 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Cardinal Hume Academies Trust during the year 1 September 2015 to 31 August 2016 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 The Cardinal Hume Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Cardinal Hume Academies Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Cardinal Hume Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE CARDINAL HUME ACADEMIES TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Cardinal Hume Academies Trust's funding agreement with the Secretary of State for Education dated 1 March 2013, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.

- adherence to tendering policies.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

13 December 2016

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
INCOME FROM:						
Donations and capital grants	2	-	-	256,861	256,861	649,532
Charitable activities	3	-	15,886,779	-	15,886,779	14,236,359
Other trading activities	4	109,432	448,598	-	558,030	483,388
Investments	5	10,268	-	-	10,268	7,871
TOTAL INCOME		119,700	16,335,377	256,861	16,711,938	15,377,150
EXPENDITURE ON:						
Raising funds		46,380	212,371	-	258,751	223,828
Charitable activities		24,668	14,774,792	285,976	15,085,436	13,987,198
TOTAL EXPENDITURE	8	71,048	14,987,163	285,976	15,344,187	14,211,026
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	21	48,652	1,348,214	(29,115)	1,367,751	1,166,124
		-	(562,758)	562,758	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		48,652	785,456	533,643	1,367,751	1,166,124
Actuarial gains/(losses) on defined benefit pension schemes	26	-	(1,440,000)	-	(1,440,000)	18,000
NET MOVEMENT IN FUNDS		48,652	(654,544)	533,643	(72,249)	1,184,124
RECONCILIATION OF FUNDS:						
Total funds brought forward		397,303	(466,593)	1,886,251	1,816,961	632,837
TOTAL FUNDS CARRIED FORWARD		445,955	(1,121,137)	2,419,894	1,744,712	1,816,961

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08148675

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	17		2,330,037		1,418,612
CURRENT ASSETS					
Debtors	18	340,635		372,173	
Cash at bank and in hand		3,749,439		3,492,140	
		<u>4,090,074</u>		<u>3,864,313</u>	
CREDITORS: amounts falling due within one year	19	(1,307,249)		(1,337,900)	
NET CURRENT ASSETS			<u>2,782,825</u>		<u>2,526,413</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,112,862</u>		<u>3,945,025</u>
CREDITORS: amounts falling due after more than one year	20		(91,150)		(413,064)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>5,021,712</u>		<u>3,531,961</u>
Defined benefit pension scheme liability	26		(3,277,000)		(1,715,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>1,744,712</u></u>		<u><u>1,816,961</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	21	2,155,863		1,248,407	
Restricted fixed asset funds	21	<u>2,419,894</u>		<u>1,886,251</u>	
Restricted income funds excluding pension liability		<u>4,575,757</u>		<u>3,134,658</u>	
Pension reserve		(3,277,000)		(1,715,000)	
Total restricted income funds			<u>1,298,757</u>		<u>1,419,658</u>
Unrestricted income funds	21		<u>445,955</u>		<u>397,303</u>
TOTAL FUNDS			<u><u>1,744,712</u></u>		<u><u>1,816,961</u></u>

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2016

The financial statements were approved by the Directors, and authorised for issue, on 13 December 2016 and are signed on their behalf, by:



Paul Barber
Chairman of Directors

The notes on pages 22 to 45 form part of these financial statements.

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	23	1,493,726	1,208,114
Cash flows from investing activities:			
Dividends, interest and rents from investments		(10,268)	(9,154)
Purchase of tangible fixed assets		(1,197,401)	(1,074,637)
Capital grants from DfE/EFA		285,976	649,532
Net cash used in investing activities		(921,693)	(434,259)
Cash flows from financing activities:			
Repayments of borrowings		(314,734)	(96,057)
Net cash used in financing activities		(314,734)	(96,057)
Change in cash and cash equivalents in the year		257,299	677,798
Cash and cash equivalents brought forward		3,492,140	2,814,342
Cash and cash equivalents carried forward		3,749,439	3,492,140

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Cardinal Hume Academies Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of The Cardinal Hume Academies Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of The Cardinal Hume Academies Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Directors have amended certain accounting policies to comply with FRS 102 and SORP 2015. [The Directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS']

Reconciliations to previous UK GAAP for the comparative figures are included in note 30.

1.2 Fund accounting

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

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

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

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy Trust Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

1.4 Expenditure

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Academy Trust Company's educational operations, including support costs and costs relating to the governance of the Academy Trust Company apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

The Directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust Company to continue as a going concern. The Directors 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..

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 Incorporating Income and Expenditure Account 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 Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Land and buildings are held under a mere licence from the Diocese of Westminster and are not brought into the financial statements. 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 to the Academy Trust company.

Improvements made to the land and buildings are capitalised and depreciated over the expected life of the project at the time of completion.

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 Incorporating Income and Expenditure Account.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements to property held under licence	-	Expected lives of individual projects
Short-term leasehold property	-	50 years
Plant and machinery	-	10 years
Motor vehicles	-	10 years
Fixtures and fittings	-	5 years
Computer equipment	-	3 years

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust Company; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

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

1.11 Financial instruments

The Academy Trust Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.12 Taxation

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

1.13 Pensions

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

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 Company 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. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.14 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 Company 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 benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

During the period no estimates or judgements have been applied to the financial statements.

1.15 Agency arrangements

The Academy Trust acts as agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances are disclosed in Note 30.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
Grants	-	-	256,861	256,861	649,532

In 2015, of the total income from donations and capital grants, £ NIL was to unrestricted funds and £649,532 was to restricted funds

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
DfE/EFA grants	-	15,597,830	15,597,830	14,114,315
Other educational operations	-	288,949	288,949	122,044
	-	15,886,779	15,886,779	14,236,359

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £14,236,359 was to restricted funds.

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
DfE/EFA grants				
GAG	-	14,301,497	14,301,497	12,722,271
Other EFA grants	-	725,709	725,709	907,057
LA and other government grants	-	570,624	570,624	484,987
	-	15,597,830	15,597,830	14,114,315

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £14,114,315 was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
Trip and other fundraising income	-	448,598	448,598	376,903
Lettings income	109,432	-	109,432	106,485
	109,432	448,598	558,030	483,388

In 2015, of the total income from other trading activities, £106,485 was to unrestricted funds and £376,903 was to restricted funds.

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
Bank interest	10,268	-	10,268	7,871
	<u>10,268</u>	<u>-</u>	<u>10,268</u>	<u>7,871</u>

In 2015, of the total investment income, £7,871 was to unrestricted funds and £ NIL was to restricted funds.

6. DIRECT COSTS

	Educational operations £	Total 2016 £	Total (as restated) 2015 £
Pension finance charge	64,000	64,000	63,000
Educational non-ICT expenditure	278,340	278,340	242,976
Educational ICT expenditure	160,813	160,813	156,913
Staff development	149,440	149,440	93,601
Educational supplies and services	1,223	1,223	886
Examination fees	248,169	248,169	207,161
Educational consultancy	72,560	72,560	57,351
Recruitment and support	53,577	53,577	73,876
Supply teaching costs	671,017	671,017	742,255
Wages and salaries	8,058,789	8,058,789	7,317,750
National insurance	717,630	717,630	621,510
Pension cost	1,029,238	1,029,238	759,877
	<u>11,504,796</u>	<u>11,504,796</u>	<u>10,337,156</u>

In 2015, the Academy Trust Company incurred the following Direct costs:

£10,337,156 in respect of Direct costs - Educational operations

THE CARDINAL HUME ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

7. SUPPORT COSTS

	Educational operations £	Total 2016 £	<i>Total (as restated) 2015 £</i>
Non-educational ICT expenditure	46,009	46,009	62,967
Staff development	49,486	49,486	27,103
Other support costs	300,177	300,177	417,237
Building maintenance	235,066	235,066	324,795
Grounds maintenance	13,056	13,056	19,512
Cleaning	228,866	228,866	197,894
Energy costs	172,485	172,485	196,332
Insurance	56,884	56,884	83,995
Catering	426,837	426,837	373,841
Other occupation costs	97,694	97,694	85,407
Other support costs	186,753	186,753	217,478
Agency support staff costs	78,312	78,312	111,432
Governance costs	85,634	85,634	66,605
Wages and salaries	1,033,300	1,033,300	1,032,559
National insurance	74,166	74,166	76,155
Pension cost	209,939	209,939	194,090
Depreciation	285,976	285,976	162,641
	<u>3,580,640</u>	<u>3,580,640</u>	<u>3,650,043</u>

During the year ended 31 August 2016, the Academy Trust Company incurred the following Governance costs:

£85,634 (2015 - £66,605) included within the table above in respect of Direct costs - Educational operations.

8. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	<i>Total (as restated) 2015 £</i>
Expenditure on raising voluntary income	46,380	-	212,371	258,751	223,828
Activities:					
Direct costs	10,476,674	-	1,028,122	11,504,796	10,337,155
Support costs	1,401,367	663,104	1,516,169	3,580,640	3,650,043
	<u>11,924,421</u>	<u>663,104</u>	<u>2,756,662</u>	<u>15,344,187</u>	<u>14,211,026</u>

In 2016, of the total expenditure, £71,048 (2015 - £42,677) was to unrestricted funds and £15,273,139 (2015 - £14,168,349) was to restricted funds.

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total £	Individual items above Amount £	£5,000 Reason
Compensation payments	5,650	5,650	Compensation for loss of office

10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	285,976	162,641
Operating lease charges	22,803	23,682
	<u> </u>	<u> </u>

11. AUDITORS' REMUNERATION

	2016 £	2015 £
Fees payable to the Academy Trust Company's auditor in respect of:		
The auditing of accounts of the Academy Trust Company	8,000	8,000
All other non-audit services not included above	6,100	6,400
	<u> </u>	<u> </u>

THE CARDINAL HUME ACADEMIES TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

12. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	9,137,094	8,383,812
Social security costs	793,171	706,838
Operating costs of defined benefit pension schemes	1,239,177	953,967
	<u>11,169,442</u>	<u>10,044,617</u>
Supply teacher costs	671,017	742,255
Agency support staff costs	78,312	111,432
Compensation payment	5,650	-
	<u><u>11,924,421</u></u>	<u><u>10,898,304</u></u>

The average number of persons employed by the Academy Trust Company during the year was as follows:

	2016 No.	2015 No.
Teachers	140	136
Administration and support	124	127
Management	13	15
	<u>277</u>	<u>278</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	9	10
In the band £70,001 - £80,000	5	5
In the band £90,001 - £100,000	0	1
In the band £100,001 - £110,000	3	1
In the band £180,001 - £190,000	1	1

The above employees participated in the Teachers' Pension Scheme (TPS) and employer contributions amounting to £217,312 (2015: £228,410) were paid during the period.

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,300,984 (2015: £1,306,701).

13. CENTRAL SERVICES

No central services were provided by the Academy Trust Company to its academies during the year and no central charges arose.

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FOR THE YEAR ENDED 31 AUGUST 2016**

14. DIRECTORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 1 Director (2015 - 1) in respect of defined benefit pension schemes.

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

		2016 £'000	2015 £'000
Mr M Tissot - remuneration	Remuneration	180-185	175-180
	Pension contributions paid	25-30	20-25

During the year ended 31 August 2016, expenses totalling £64 (2015 - £NIL) were reimbursed to 2 Directors (2015 - £NIL).

15. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £1,654 (2015 - £1,221).

16. PENSION FINANCE CHARGE

	2016 £	2015 £
Interest income on pension scheme assets	129,000	111,000
Interest on pension scheme liabilities	(193,000)	(174,000)
	<u>(64,000)</u>	<u>(63,000)</u>

17. TANGIBLE FIXED ASSETS

	Improvement to property held under licence £	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £
Cost					
At 1 September 2015	202,422	273,217	226,261	28,000	41,450
Additions	-	302,314	45,078	-	11,085
Transfer between classes	798,978	-	-	-	-
At 31 August 2016	<u>1,001,400</u>	<u>575,531</u>	<u>271,339</u>	<u>28,000</u>	<u>52,535</u>

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17. TANGIBLE FIXED ASSETS (continued)

Depreciation

At 1 September 2015	6,627	5,464	39,288	12,150	15,304
Charge for the year	20,028	11,510	27,350	4,800	13,069
At 31 August 2016	26,655	16,974	66,638	16,950	28,373

Net book value

At 31 August 2016	974,745	558,557	204,701	11,050	24,162
At 31 August 2015	195,795	267,753	186,973	15,850	26,146

	Computer equipment £	Assets under construction £	Total £
Cost			
At 1 September 2015	560,697	417,873	1,749,920
Additions	63,408	775,516	1,197,401
Transfer between classes	-	(798,978)	-
At 31 August 2016	624,105	394,411	2,947,321
Depreciation			
At 1 September 2015	252,475	-	331,308
Charge for the year	209,219	-	285,976
At 31 August 2016	461,694	-	617,284
Net book value			
At 31 August 2016	162,411	394,411	2,330,037
At 31 August 2015	308,222	417,873	1,418,612

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

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18. DEBTORS

	2016 £	2015 £
Trade debtors	23,651	80,547
Other debtors	63,497	11,130
Prepayments and accrued income	93,621	100,392
Tax recoverable	159,866	180,104
	<u>340,635</u>	<u>372,173</u>

19. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Other loans	323,104	264,734
Trade creditors	506,773	463,500
Other taxation and social security (see below)	223,164	205,798
Other creditors	20,376	15,056
Accruals and deferred income	233,832	388,812
	<u>1,307,249</u>	<u>1,337,900</u>

Other taxation and social security

	2016 £	2015 £
PAYE/NI control	<u>223,164</u>	<u>205,798</u>
	2016 £	2015 £

Deferred income

Deferred income at 1 September 2015	192,338	231,809
Resources deferred during the year	32,687	42,338
Amounts released from previous years	<u>(92,438)</u>	<u>(81,809)</u>
Deferred income at 31 August 2016	<u>132,587</u>	<u>192,338</u>

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20. CREDITORS:

Amounts falling due after more than one year

	2016 £	2015 £
Other loans	91,150	413,064

Included within the above are amounts falling due as follows:

	2016 £	2015 £
Between one and two years		
Other loans	31,848	368,496
Between two and five years		
Other loans	47,772	18,304
Over five years		
Other loans	11,530	26,264

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	11,530	26,264

The above loan is due to Salix Finance Limited. This loan is unsecured and interest free.

21. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	397,303	119,700	(71,048)	-	-	445,955
Restricted funds						
Restricted Funds - all funds	1,248,407	16,335,377	(14,865,163)	(562,758)	-	2,155,863
Pension reserve	(1,715,000)	-	(122,000)	-	(1,440,000)	(3,277,000)
	(466,593)	16,335,377	(14,987,163)	(562,758)	(1,440,000)	(1,121,137)

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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Restricted Fixed Asset Funds - all funds	1,886,251	256,861	(285,976)	562,758	-	2,419,894
Total restricted funds	1,419,658	16,592,238	(15,273,139)	-	(1,440,000)	1,298,757
Total of funds	1,816,961	16,711,938	(15,344,187)	-	(1,440,000)	1,744,712

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

All funds originated from assets gifted by the predecessor school. In addition:

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed the the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy Trust Company was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
St George's Catholic School	2,709,997	2,415,747
St Thomas More Catholic School	(18,322)	(770,037)
Total before fixed asset fund and pension reserve	2,691,675	1,645,710
Restricted fixed asset fund	2,419,894	1,886,251
Pension reserve	(3,277,000)	(1,715,000)
Total	1,834,569	1,816,961

The following academy is carrying a net deficit on its portion of the funds as follows:

Name of academy	Amount of deficit £
St Thomas More Catholic School	18,322

This academy had a revenue deficit on 1 March 2013 of £769,680, inherited from the predecessor school.

The Academy Trust Company is taking the following action to return the academies to surplus:

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21. STATEMENT OF FUNDS (continued)

A staff restructure took place at the inception of the academy. Whilst this had been expected to enable the deficit to be repaid within 5 years, rapidly rising rolls and the consequent lagged funding has put further pressure on the academy. The academy was assisted by the EFA with support funding in the current and previous financial periods which has caused the deficit to be materially reduced in the current period. It is expected that the deficit will be eliminated in the coming period.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding deprec'n. £	Total 2016 £	Total 2015 £
St George's Catholic School	5,745,331	601,167	707,523	653,731	7,707,752	7,140,028
St Thomas More Catholic School	4,749,637	907,043	653,056	1,040,723	7,350,459	6,990,199
	<u>10,494,968</u>	<u>1,508,210</u>	<u>1,360,579</u>	<u>1,694,454</u>	<u>15,058,211</u>	<u>14,130,227</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds (as restated) 2015 £
Tangible fixed assets	-	-	2,330,037	2,330,037	1,418,612
Current assets	445,955	3,554,261	89,857	4,090,073	3,864,313
Creditors due within one year	-	(1,307,248)	-	(1,307,248)	(1,337,900)
Creditors due in more than one year	-	(91,150)	-	(91,150)	(413,064)
Provisions for liabilities and charges	-	(3,277,000)	-	(3,277,000)	(1,715,000)
	<u>445,955</u>	<u>(1,121,137)</u>	<u>2,419,894</u>	<u>1,744,712</u>	<u>1,816,961</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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**23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	1,367,751	1,166,124
Adjustment for:		
Depreciation charges	285,976	162,641
Dividends, interest and rents from investments	10,268	9,154
Decrease in debtors	31,538	94,825
(Decrease)/increase in creditors	(65,946)	326,902
Capital grants from DfE and other capital income	(256,861)	(649,532)
Defined benefit pension scheme cost less contributions payable	57,000	60,000
Defined benefit pension scheme finance cost	64,000	63,000
Defined benefit pension scheme change in financial assumptions	-	(25,000)
Net cash provided by operating activities	1,493,726	1,208,114

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	3,749,439	3,492,140
Total	3,749,439	3,492,140

25. CAPITAL COMMITMENTS

At 31 August 2016 the Academy Trust Company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	-

26. PENSION COMMITMENTS

The Academy Trust Company's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by City of Westminster Pension Fund and the London Borough of Haringey Pension Fund. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £72,612 were payable to the schemes at 31 August 2016 (2015 - £67,434) and are included within creditors.

Teachers' Pension Scheme

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**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (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
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £903,716 (2015 - £677,771).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £367,000 (2015 - £349,000), of which employer's contributions totalled £288,000 (2015 - £273,000) and employees' contributions totalled

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26. PENSION COMMITMENTS (continued)

£79,000 (2015 - £76,000). The agreed contribution rates for future years are 22.3% for employers and between 5.8% and 19.7% for employees.

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

The academy has contributed an additional amount of £31,833 (2015: £30,417) during the year to reduce the accumulated deficit on the LGPS and has a commitment to make a further additional contribution of £33,000 in 2016/17.

City of Westminster Pension Fund

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.1	22.1
Females	25.3	25.2
Retiring in 20 years		
Males	24.4	24.2
Females	27.7	27.6

London Borough of Haringey Pension Fund

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

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	21.9	21.9
Females	24.1	24.1
Retiring in 20 years		
Males	24.2	24.2
Females	26.5	26.5

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26. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	2,906,000	2,257,000
Bonds	764,000	602,000
Property	358,000	304,000
Cash	58,000	51,000
Total market value of assets	<u>4,086,000</u>	<u>3,214,000</u>

The actual return on scheme assets was £459,000 (2015 - £18,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(345,000)	(332,000)
Net interest cost	(64,000)	(63,000)
Total	<u>(409,000)</u>	<u>(395,000)</u>
Actual return on scheme assets	<u>459,000</u>	<u>18,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	4,929,000	4,410,000
Current service cost	345,000	332,000
Interest cost	193,000	174,000
Contributions by employees	79,000	76,000
Actuarial losses	1,899,000	-
Changes in financial assumptions	-	(25,000)
Benefits paid	(82,000)	(38,000)
Closing defined benefit obligation	<u>7,363,000</u>	<u>4,929,000</u>

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26. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	3,214,000	2,775,000
Interest income	129,000	111,000
Actuarial gains and (losses)	459,000	18,000
Contributions by employer	288,000	273,000
Contributions by employees	79,000	76,000
Benefits paid	(82,000)	(38,000)
Administration expenses	(1,000)	(1,000)
	<u>4,086,000</u>	<u>3,214,000</u>
Closing fair value of scheme assets	<u>4,086,000</u>	<u>3,214,000</u>

The latest valuation of the Local Government Pension Scheme (LGPS) occurred on 31 August 2016. Since the date of the previous valuation a number of changes, both legislative and economic, have occurred which have impacted upon the assumptions made. Consequently, a significant cost has been incurred in the current financial period which is reflective of these changes made.

27. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	21,814	10,521
Between 1 and 5 years	48,394	900
	<u>70,208</u>	<u>11,421</u>
Total	<u>70,208</u>	<u>11,421</u>

28. MEMBERS' LIABILITY

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

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29. RELATED PARTY TRANSACTIONS

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

The Executive Head Teacher served as Acting Head Teacher of Bishop Douglass School in the London Borough of Barnet during the year. The academy invoiced these services to Bishop Douglass School at cost amounting to £349,918 (2015 - £220,426). At the year end, a balance of £8,138 (2015 - £7,144), was due to the academy by Bishop Douglass School.

In addition, as shown in Note 8, other staff of the academy were provided at no charge to Bishop Douglass School, the value of this charitable donation amounting to £50,510 (2015 - £64,767).

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

30. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the Academy Trust Company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure. The table below shows the effect of the transition to FRS102 on the SOFA for the previous year:

	Year ended 31 August 2015		
	As previously stated £	Effect of transition £	FRS102 (as restated) £
Total income	15,377,150	0	15,377,150
Total (expenditure)	(14,176,026)	(35,000)	(14,211,026)
Actuarial (loss) on defined benefit pension scheme	(17,000)	17,000	18,000

In the prior year, there were actuarial losses recognised on the scheme of £17,000. Under FRS102 these losses have been reclassified as shown above.

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31. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2016 the trust received £70,979 (2015 - £54,144) and disbursed £22,089 (2015 - £27,383) from the fund. An amount of £74,371 (2015 - £26,761) is included in other creditors relating to undistributed funds that are repayable to the EFA.