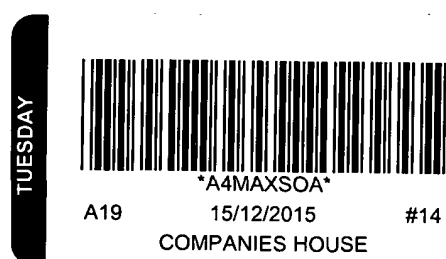


Registered number: 08599141

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015



ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

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ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees

Bishop Seamus Cunningham, Member & Chair of the Members
Joseph Hughes, Member
Reverend Father Michael Conaty, Member & Chair of the Trustees^{1,2,3}
Michael Donnelly¹
Nicholas Edgar¹
John Foster, Head Teacher^{1,2,3}
Malcolm Gregor¹
John McConell²
Andrew McDyer^{2,3}
Bruce McFarlane³
Michael McGhee, Vice Chair of the Trustees¹
Storm Smith²
Ethel Taylor²
Nicola Taylor²
Gordon Wake (resigned 31 August 2015)³
Anthony Woods-Waters¹

- ¹ Member of Finance Committee
² Member of Management Committee
³ Member of Standards Committee

Company registered number

08599141

Principal and registered office

Benton Park Road
Newcastle upon Tyne
NE7 7PE

Senior management team

John Foster, Head Teacher and Accounting Officer
Emma Patterson, Deputy Head Teacher
Suzanne Fisher, Assistant Head
Clare Rossi, Assistant Head
Kevin Stafford, Assistant Head
Dan McKeating, Assistant Head

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Independent auditor

Ryecroft Glenton
Chartered Accountants
Statutory Auditor
32 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QP

Bankers

Natwest Bank
16 Northumberland Street
Newcastle upon Tyne
NE1 7EL

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who are also Directors of the charitable company for the purposes of the Companies Act) present their annual report together with the audited financial statements of St Mary's Catholic School (the Academy) for the year ended 31 August 2015. The Trustees confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates a secondary academy in Newcastle upon Tyne with a student capacity of 1150 and had a student roll of 1137 in the academy census on 15th May 2015.

Structure, governance and management

• **CONSTITUTION**

The Academy is a charitable company limited by guarantee and was set up by a Memorandum of Association on 5 July 2013. The memorandum and articles of association are the primary governing documents of the trust. The trustees are also Governors of the charitable company for the purposes of company law. The charitable company is known as St Mary's Catholic School Trust and trades as St Mary's Catholic School. Details of the trustees who served during the year are included in the Reference and Administrative details on page 1.

The principal object of the Academy is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing Catholic schools delegated as such which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law applying thereto including any trust deed governing the use of land used by the academy both generally and in relation to arranging for religious education and daily of worship and having regard to any advice and following directives of the Diocesan Bishop.

• **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.

• **METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the Academy is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association, such that there is a range of skills and experience on the Board. The Diocesan Bishop may appoint Foundation Governors so as to ensure that at all times the Foundation Governors outnumber all others by two. A minimum of two Parent Governors will be elected from time to time after seeking nominations and holding a ballot. Staff Governors are appointed following nominations and a ballot. Staff Governors shall not exceed one third of the total number of Governors.

• **POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

On appointment, all Governors are required to provide an undertaking to the trustees and Diocesan Bishop to uphold the object of the academy trust. All new Governors are given an opportunity to tour the school and meet staff and students. All new Governors are provided with the key policy documents, procedures and other documentation which they require to perform their role as a Governor. Induction and training for newly appointed Governors is provided on specific issues of charity, educational, finance and legal matters.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

● **ORGANISATIONAL STRUCTURE**

The governance, management and leadership structure consists of two levels: Board of Governors which then delegates responsibilities to three sub-committees.

The Governors meet as a board a minimum of four times each year and the following sub-committees are formed by board members:

Management & Staffing Committee
Finance and Risk Management Committee
Standards Committee

The Governors are responsible for setting general policy, approving the annual school budget, monitoring the performance of the academy in the widest sense and making major decisions about direction, capital expenditure and senior staff appointments.

The Management and Staffing committee meet to review the staffing structure, consider and approve the annual salary review of staff and determine other staff related matters.

The Finance Committee review the financial performance of the academy, consider the outcomes of audit and risk assessments and monitor health and safety matters within the school. The committee consider those aspects of site management which carry risk and oversee any developments on the site.

The Standards Committee review and monitor student performance, and consider the recommendations of curriculum review and development.

The operational management, the implementation of the policies laid down by the Governors and the recruitment of staff, other than Leadership posts, is the role of the Head Teacher and Senior Leadership Team. Each member of the team has specific areas of responsibility in the school and they work closely with middle leaders through a link programme.

The Head Teacher is the Principal Accounting Officer.

● **CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

The academy is a member of the family of schools attached to the Catholic Diocese of Hexham and Newcastle.

It is also part of an alliance with two secondary schools: Heworth Grange School, Gateshead, St Thomas More Catholic School, Blaydon.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and Activities

• **OBJECTS AND AIMS**

The principal object and activity of the academy is to provide education for students from a full range of ability between the ages of 11 and 19 years, conducted in accordance with the principles, practices and tenets of the Catholic Church.

• **OBJECTIVES, STRATEGIES AND ACTIVITIES**

The main objectives of the academy in the period ending 31st August 2015 are summarised as follows:

- To provide opportunities for students and staff to explore and develop their faith.
- To continue to raise standards of education for all students
- To keep the curriculum, organisation and structure of the academy under review in order to improve its effectiveness
- To comply with all appropriate statutory and curriculum requirements
- To continue to improve the effectiveness of teaching
- To provide a safe environment where all can everyone can succeed
- To provide value for money for the funds expended
- To provide opportunities for all students to explore and develop their God given talents
- To conduct the academy business in accordance with the standards of integrity, probity and openness

• **ACTIVITIES FOR ACHIEVING OBJECTIVES**

The main strategies and activities applied to achieve the objectives include:

- High quality leadership to create an environment for continuous improvement
- The use of high quality data to monitor, review and plan effective actions
- Early interventions to reduce the risk of underperformance
- Continuing middle leader training and the provision of high quality training in specific areas
- An induction/ training programme for teachers new to the school or newly qualified
- The review and development of the key stage 3 literacy programme
- Further development of formal work scrutiny
- The further development of the Pastoral programme
- A focus on post-16 provision and achievement
- Enhancing the wider curriculum and providing opportunities for all students to participate in a retreat, residential experiences and cultural visits abroad.

The activities undertaken to achieve these objectives are all intended to provide the highest quality education for students between the ages of 11 and 18 years.

• **PUBLIC BENEFIT**

The charities aims and objectives are set out in this report. The activities have been undertaken to further the charities purposes for the public benefit. The Trust Governors confirm that they have complied with their duty published under section 4 of the Charities Act 2011 to have regard to the guidance on public benefit.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

• **REVIEW OF ACTIVITIES**

The Catholic faith is at the heart of what we do and opportunities for spiritual development are provided for all students and staff. Daily prayer and reflection is conducted throughout the school, with year group assemblies taking place each week.

We are a core partner in a Teaching School Alliance in the north-east, with the mandate to develop high quality teaching across the region, including the training of new teachers for the profession.

In each of our last three Ofsted and Diocesan inspections, St Mary's academic achievement has been judged outstanding.

The GCSE results in the school are excellent. Over the last four years, an average of almost 80% of students have obtained the A*-C benchmark in each of the core subjects of English and Maths. In Science this is almost 90%. In 2015, a very pleasing feature of the excellent results overall was the exceptional performance of the most able students, with the proportion of GCSE A*-A grades rising sharply from 20% to 30%, way above the national average of 16%-17%. This reflects not only excellent teaching and stretching of the most able but also the changing nature of St Mary's intake over the last few years with an above average proportion of able students in each year group. As DfE Performance Tables indicate, last year, St Mary's was one of the top 6 schools in the north-east (out of around 150) for overall "value-added" achievement across the key subjects of English, Maths, Science, History, Geography and Modern Languages. This measure is arguably the most useful in measuring a school's overall academic strength, as it covers the largest proportion of a school's key exam subject entries and measures how far above (or below) national averages students achieve compared to their starting points. Value added measures have been superb for many years now.

At A level, the pass rate averaged over 98% for the last three years but was actually 100% in 2015. Over 50% of all grades were A*-B in 2015 and 84% A*-C. Each year, students move on to higher education at universities, including the very best ones, to study a wide range of degree courses, including medicine, dentistry, sciences, law, architecture, languages, humanities and education. As well as Oxbridge, we are opening up access to US universities and this year we had our first student attend a Harvard University summer school in Boston, USA.

Throughout the reporting period the academy has supported a diverse range of visits locally and nationally together with five organised visits abroad. All students have the opportunity to take part in residential retreats and the academy supports large numbers of students attending the Diocesan Summer Festival. Students have been supported in their continuing education with visits to Oxford, Cambridge and other universities.

• **GOING CONCERN**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy 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.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

• **RESERVES POLICY**

St Mary's Catholic School converted to an academy in September 2013 and has established significant working reserves. The academy has designated £400,000 of its general reserves to support the development, construction and equipping of an eight-classroom extension to the school.

Further information is provided in the Future Developments section.

The Governors review the level of reserves annually. The review takes into consideration the nature and value of income and expenditure streams, the impact on these as a result of national and local conditions, the need to retain reserves to cover unexpected one-off expenditure and the need to provide sufficient working capital to cover delays between spending and the receipt of grants. The Governors have determined that the appropriate current achievable level of free reserves should be equivalent to four weeks expenditure (7.7% of annual expenditure or £515,849).

Current free reserves are £285,254, after designation of £400,000 of funds to cover the cost to the Academy of buildings works in 2015/16. The difference between this figure and the target is noted by the Board. Future free reserves are anticipated to fall further as a result of loans that will be taken out from EFA in respect of the planned building works. The Board has developed plans to build the reserve through additional pupil numbers following the completion of its capital programme.

• **INVESTMENT POLICY AND PERFORMANCE**

Since conversion, a projected surplus has accrued and this developing surplus has been swept from the main accounts into interest bearing accounts. The Governors are keen to see the surplus invested in a risk adverse manner, which attracts the greatest level of return whilst maintaining liquidity and the reserves are reviewed regularly by the Finance and Risk Management Committee.

• **RISK MANAGEMENT**

The Governors have assessed the major risks to which the Academy is exposed, in particular those related to teaching, recruitment, facilities, finance, health and safety and other operational issues. The risk register is reviewed by the Finance and Risk Management Committee.

The Governors are satisfied that systems and procedures are in place to mitigate our exposure to major risks. The academy has entered into a long term agreement for insurance which was established on conversion. This policy is reviewed regularly and covers all areas of significant financial risk, including all Governor liabilities.

The academy has implemented Safer recruiting procedures and all staff have received training on Safeguarding Children in Schools.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

● **FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

The academy is subject to risks and uncertainties in common with other academies. The Governors have procedures in place to identify and mitigate financial risks. The principal risks are centred on the recognition of a significant deficit on the balance sheet arising from the LGPS and potential changes to the funding formula from central government.

The Finance and Risk Management Committee review the risk register annually. The register identifies key risks to the operation of the academy in the following areas:

- Funding and compliance
- Governance and strategic partners
- Human resourcing
- Statutory and legal compliance
- Student performance and results
- Reputational risk
- Technological risks

Additional and specific risk assessments are carried out when the need arises e.g. those associated with the construction of the proposed extension, residential or hazardous activities.

The academy reviews its Critical Incident and Business Continuity Plan annually.

● **PRINCIPAL FUNDING**

The majority of the academy's income is obtained from the DFE, via the Education Funding Agency, in the form of monthly, recurrent grants which are to be used for restricted purposes. The grants received from EFA during the reporting period and the associated expenditure is shown in the statement of financial activity. The expenditure shown in the statement has been made in furtherance of the academy's objectives.

The academy also receives grants for capital assets, which during the reporting period amounted to £32,614.

During the reporting period the expenditure of £6,699,343 (2014: £6,078,900) exceeded overall income of £6,656,986 (2014: £19,748,836 including balances transferred in from the Local Authority and other sources of £13,596,433). The net deficit for the year was £42,357 (2014: a net excess of £13,669,936 of income over expenditure). After accounting for a pension scheme surplus of £32,000 (2014: deficit of £110,000) the fund balances are £13,549,579 (2014: £13,559,936). This consists of £13,108,116 of restricted funding and £441,463 of unrestricted funding.

Plans for future periods

● **FUTURE DEVELOPMENTS**

This is a newly converted academy with an outstanding reputation and continues to be oversubscribed.

The Governors and Leadership Team are determined to maintain and improve the high academic standards achieved in the school through appropriate recruitment of staff and the provision of suitable training and support programmes set within the context of the holistic development of both students and staff. It is well placed to provide support to other schools and has done so during the reporting period.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The academy benefited from the BSF PFI building programme in Newcastle and occupies a new, well designed and constructed building for 1150 students. As the academy's roll continues to grow, the building requires expansion. There is significant local demand for places at the main year of entry (year 7). The number of students in sixth form has increased. The increase in student numbers generates further funding from the Education Funding Agency, which enables the academy to build its reserves in line with the Reserves Policy.

The academy has been successful in attracting capital funding from EFA, which together with £400,000 from the current reserves of the academy, will support a capital build programme to enable the school to grow further and provide an outstanding education for more students in the area. This project will generate a further eight teaching spaces with additional accommodation when completed in August 2016.

The Governors continue to explore the provision of an all-weather playing surface to provide greater accessibility to sport and games throughout the year. As reserves are built, the Governors will be in a position to consider the costs of an all-weather surface and other specialist provision.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 10 December 2015 and signed on the board's behalf by:



**Reverend Father Michael Conaty, Member
Chair of Trustees**

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that St. Mary's Catholic School 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 Head Teacher, 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. Mary's Catholic School Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Board of Trustees

Trustee	Meetings attended	Out of a possible
Bishop Seamus Cunningham	0	4
Joseph Hughes	0	4
Reverend Father Michael Conaty	3	4
Michael Donnelly	4	4
Nicholas Edgar	4	4
John Foster	4	4
Malcolm Gregor	3	4
John McConnell	2	4
Andrew McDyer	3	4
Bruce McFarlane	3	4
Michael McGhee, Vice Chair	3	4
Storm Smith	3	4
Ethel Taylor	3	4
Nicola Taylor	4	4
Gordon Wake	3	4
Anthony Woods-Waters	0	4

The Finance & Risk Management Committee

The Finance Committee is a sub committee of the main board of trustees. Its purpose is to oversee the management of the academy's finances, to assess risk and take steps to mitigate those risks, and to monitor and review all aspects of health and safety. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Reverend Father Michael Conaty	6	6
Michael Donnelly	6	6
Nicholas Edgar	5	6
John Foster	3	6
Malcolm Gregor	6	6
Anthony Woods-Waters	0	6
Michael McGhee	5	6

ST. MARY'S CATHOLIC SCHOOL TRUST
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GOVERNANCE STATEMENT (continued)

The Standards Committee

The committee met on three occasions in the reporting period. The committee reviewed the academic performance of students in the school, and the curriculum organisation and structure.

The Management Committee.

The committee met to undertake the annual salary review for all teaching staff and appointments to the school.

REVIEW OF VALUE FOR MONEY

As accounting officer, the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- **Improving Educational Outcomes**

The academy has undertaken a review of its staffing to ensure that the curriculum needs are met by well qualified and experienced staff. Teaching staff are deployed effectively and efficiently to support targeted curriculum development. High quality Learning Support Assistants are engaged and deployed to provide additional support for individual students and small groups of students. This works effectively in the area of literacy.

Over the last four years, an average of almost 80% of students have obtained the A*-C benchmark in each of the core subjects of English and Maths. In Science this is almost 90%. In 2015, a very pleasing feature of the excellent results overall was the exceptional performance of the most able students, with the proportion of GCSE A*-A grades rising sharply from 20% to 30%, way above the national average of 16%-17%. As DfE Performance Tables indicate, last year, St Mary's was one of the top 6 schools in the north-east (out of around 150) for overall "value-added" achievement across the key subjects of English, Maths, Science, History, Geography and Modern Languages.

At A level, the pass rate averaged over 98% for the last three years but was 100% in 2015. Over 50% of all grades were A*-B and 84% A*-C. Each year, students move on to higher education at universities, including the very best ones, to study a wide range of degree courses, including medicine, dentistry, sciences, law, architecture, languages, humanities and education.

Greater numbers of students are able to experience retreats residential and overseas visits alongside a diverse and numerous range of cultural and learning experiences outside of the classroom.

- **Improving purchasing**

The academy reviews contracts and agreements on a regular basis to ensure good value for money. When opportunities exist the academy reduces costs through the use of improving technologies, negotiating improved agreements with suppliers or changing suppliers, with recent examples being the reduction in telephony charges by 50% and an improved cash collection service. The academy makes use of bulk purchasing arrangements with the local city council for IT. Best value principles are applied to purchases made on behalf of the academy.

ST. MARY'S CATHOLIC SCHOOL TRUST
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GOVERNANCE STATEMENT (continued)

- **Improving financial oversight**
The Finance Committee meet twice each term to review and monitor expenditure, receive Internal Audit reports and ensure that the academy finances are maintained in good order. Members of the committee are experienced in financial, legal and business fields and bring a balanced mix of expertise to the committee. The committee provides rigorous challenge to the Accounting Officer and PFO on all aspects of expenditure, and prior to the academy budget being prepared a rigorous scrutiny of all lines of expenditure is undertaken all with significant attention paid to areas of high expenditure (staffing) and other variable costs. Following a review and scrutiny of all sections of the budget by the executive and Finance Committee the proposed budget is presented to the board for consideration and approval.

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 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. Mary's Catholic School Trust for the year 1 September 2014 to 31 August 2015 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 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'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 Finance 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.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Ryecroft Glenton as internal auditor.

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

- Examination of payroll processing and payment controls
- Examination of procurement and payment controls
- Examination of non EFA income controls
- Examination of credit card and petty cash controls
- Review of controls over journal entries
- Review of controls over debtors and creditors ledger
- Review of the production of management accounts
- Review the operation of budgetary controls
- Review of key controls surrounding the handling of cash
- Review of the management of key risks identified by the risk register
- Review of the reconciliation of bank accounts and examination of bank and cash controls
- Examination of fixed asset controls

On a termly basis, the internal auditor reports to the Finance and Risk Management Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Ryecroft Glenton's schedule of work was agreed at the commencement of their contract and has been delivered accordingly.

REVIEW OF EFFECTIVENESS

As accounting officer, the Head Teacher 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 who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 10 December 2015 and signed on its behalf, by:



Reverend Father Michael Conaty
Chair of Trustees



John Foster
Accounting Officer

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of St. Mary's Catholic School Trust I have considered my responsibility to notify the Academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy board of trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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.



John Foster
Accounting Officer

Date: 10 December 2015

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of St. Mary's Catholic School Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

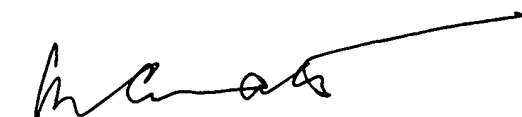
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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 EFA/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 10 December 2015 and signed on its behalf by:



Reverend Father Michael Conaty
Chair of Trustees

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARY'S CATHOLIC SCHOOL TRUST

We have audited the financial statements of St. Mary's Catholic School Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. MARY'S CATHOLIC SCHOOL TRUST

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Detlev Anderson (Senior statutory auditor)

for and on behalf of

Ryecroft Glenton

Chartered Accountants
Statutory Auditor

32 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QP
10 December 2015

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. MARY'S CATHOLIC SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St. Mary's Catholic School Trust during the year 1 September 2014 to 31 August 2015 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. Mary's Catholic School Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St. Mary's Catholic School Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St. Mary's Catholic School Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ST. MARY'S CATHOLIC SCHOOL TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of St. Mary's Catholic School Trust's funding agreement with the Secretary of State for Education dated 1 September 2013, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. MARY'S
CATHOLIC SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

The work undertaken to draw our conclusion includes:

- Enquiry with Accounting Officer of his work done to support his statement on regularity, proprietary and compliance
- Review of finance policies in place
- Review of minutes for any significant items that may affect our conclusion
- Review of reports issued by the internal auditors, the work conducted by them and their conclusions
- Enquiry into whether there have been any payments or write offs incurred under delegated authority which should be disclosed to the EFA
- Inspection of the register of pecuniary interests of the Trustees and a review of transactions to disclose any related or connected party transactions
- Review of connected and related party transactions to ensure that correct procedures had been followed and that these were appropriate transactions for the Academy to enter into
- Review of income streams for any activities which may be outside the Academy's charitable objectives
- Inspection of BACS payment reports to ensure that correct procedures and authorisations had been observed
- Review of cashbook transactions for significant or unusual transactions in the year and confirmation that these related to applicable charitable purposes
- Review of credit card expenditure for indicators of purchases being made for personal use and confirmation that the correct procedures and authorisations had been observed
- Inspection of a number of purchase invoices during the year to ensure that the correct purchasing and procurement procedures had been followed
- Review of expenditure to confirm that this has been applied in line with the grant terms
- Enquiry with finance staff as to whether any borrowing has been entered into and whether this breaches the borrowing limits imposed by the funding agreement
- Inspection of payroll reports for the year and confirmation that these have been suitably authorised
- Review of a sample of employees extracted from the monthly payroll reports to confirm existence and agree remuneration to supporting documentation
- Inspection of a sample of journals in the year to ensure that the correct authorisation procedures have been followed and that the transactions relate to applicable charitable activities

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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Detlev Anderson

Ryecroft Glenton

Chartered Accountants
Statutory Auditor

32 Portland Terrace
Jesmond
Newcastle upon Tyne
NE2 1QP

10 December 2015

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from Local Authority and other sources	2	-	-	-	-	13,596,433
Other voluntary income	2	650	-	-	650	2,142
Activities for generating funds	3	166,125	-	-	166,125	56,499
Investment income	4	2,880	10,000	-	12,880	4,764
Incoming resources from charitable activities	5	291,700	6,153,017	32,614	6,477,331	6,088,998
TOTAL INCOMING RESOURCES		461,355	6,163,017	32,614	6,656,986	19,748,836
RESOURCES EXPENDED						
Charitable activities	9	426,252	5,935,707	327,196	6,689,155	6,030,271
Governance costs	6	-	10,188	-	10,188	48,629
TOTAL RESOURCES EXPENDED	9	426,252	5,945,895	327,196	6,699,343	6,078,900
NET INCOMING / (OUTGOING) RESOURCES BEFORE REVALUATIONS		35,103	217,122	(294,582)	(42,357)	13,669,936
Actuarial gains and losses on defined benefit pension schemes		-	32,000	-	32,000	(110,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		35,103	249,122	(294,582)	(10,357)	13,559,936
<i>Total funds at 1 September 2014</i>		<i>406,360</i>	<i>(5,331)</i>	<i>13,158,907</i>	<i>13,559,936</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2015		441,463	243,791	12,864,325	13,549,579	13,559,936

All activities relate to continuing operations.

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

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08599141

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	16		12,844,720		13,156,101
CURRENT ASSETS					
Debtors	17	178,961		195,234	
Cash at bank and in hand		966,306		754,497	
		<u>1,145,267</u>		<u>949,731</u>	
CREDITORS: amounts falling due within one year	18	(112,408)		(169,896)	
NET CURRENT ASSETS			1,032,859		779,835
TOTAL ASSETS LESS CURRENT LIABILITIES			13,877,579		13,935,936
Defined benefit pension scheme liability	24	(328,000)		(376,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>13,549,579</u>		<u>13,559,936</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	571,791		370,669	
Restricted fixed asset funds	19	12,864,325		13,158,907	
Restricted funds excluding pension liability		13,436,116		13,529,576	
Pension reserve		(328,000)		(376,000)	
Total restricted funds			13,108,116		13,153,576
Unrestricted funds	19		441,463		406,360
TOTAL FUNDS			<u>13,549,579</u>		<u>13,559,936</u>

The financial statements were approved by the Trustees, and authorised for issue, on 10 December 2015 and are signed on their behalf, by:


Reverend Father Michael Conaty
Chair of Trustees


John Foster
Trustee

The notes on pages 23 to 40 form part of these financial statements.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	21	192,130	355,342
Returns on investments and servicing of finance	22	2,880	1,764
Capital expenditure and financial investment	22	16,799	2,805
Cash transferred on conversion to an academy trust		-	394,586
INCREASE IN CASH IN THE YEAR		211,809	754,497

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £	2014 £
Increase in cash in the year	211,809	754,497
MOVEMENT IN NET FUNDS IN THE YEAR	211,809	754,497
Net funds at 1 September 2014	754,497	-
NET FUNDS AT 31 AUGUST 2015	966,306	754,497

The notes on pages 23 to 40 form part of these financial statements.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the 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 and include grants from the Department for Education.

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

1.3 Incoming resources

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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 Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. 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:

Long-term leasehold property	-	50 years straight line
Long-term leasehold land	-	Not depreciated
Fixtures and fittings	-	33% reducing balance
Computer equipment	-	50% reducing balance

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

Buildings were constructed under a PFI arrangement. As the Academy has the right to require the transfer to itself of the buildings on 31 March 2037, the Academy has recognised the assets used under the contracts within tangible fixed assets at a valuation provided by EFA's valuer Mouchel.

The Academy currently occupies the buildings under an agreement expiring on 31 March 2037 to receive services as part of the PFI contract. This occupation is treated as an operating lease so that the amount payable each year under this agreement is charged to the Statement of financial activities as it is incurred. Further information is provided in note 25.

The land occupied by the Academy is held on a 125 year lease with Newcastle City Council and on a long term lease with the Catholic Diocese of Hexham & Newcastle. As the risks and rewards have transferred to the academy, the asset has been recognised within tangible fixed assets at a valuation provided by EFA's valuer Mouchel.

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer from Local Authority and other sources	-	-	13,596,433
Donations	650	650	2,142
Voluntary income	650	650	13,598,575

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings income	9,692	9,692	5,640
Music services income	12,182	12,182	12,465
Staff recharges	89,597	89,597	33,546
Supply teacher insurance claims	30,599	30,599	-
Sales of goods and services	2,174	2,174	-
Other income	21,881	21,881	4,848
	166,125	166,125	56,499

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Interest on cash deposits	2,880	-	2,880	1,764
Pension income	-	10,000	10,000	3,000
	<u>2,880</u>	<u>10,000</u>	<u>12,880</u>	<u>4,764</u>

5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Funding for the Academy's Educational Operations	<u>291,700</u>	<u>6,185,631</u>	<u>6,477,331</u>	<u>6,088,998</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	5,772,150	5,772,150	4,731,646
Capital Grants	-	23,541	23,541	21,179
Other DfE / EFA grants	-	331,401	331,401	1,013,810
	<u>-</u>	<u>6,127,092</u>	<u>6,127,092</u>	<u>5,766,635</u>
Other government grants				
Local authority grants	-	49,466	49,466	43,146
	<u>-</u>	<u>49,466</u>	<u>49,466</u>	<u>43,146</u>
Other funding				
Catering income	140,427	-	140,427	134,622
Trip income	151,273	-	151,273	134,324
Diocesan capital grants	-	9,073	9,073	10,271
	<u>291,700</u>	<u>9,073</u>	<u>300,773</u>	<u>279,217</u>
	<u>291,700</u>	<u>6,185,631</u>	<u>6,477,331</u>	<u>6,088,998</u>

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

6. GOVERNANCE COSTS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor's remuneration - internal audit	3,618	3,618	4,771
Auditor's remuneration - audit of financial statements	5,200	5,200	5,200
Governance Auditors' non audit costs	1,370	1,370	950
Legal and professional fees	-	-	37,708
	<u>10,188</u>	<u>10,188</u>	<u>48,629</u>

7. DIRECT COSTS

	Educational activities 2015 £	Total 2014 £
Teaching and educational support staff costs	3,886,629	3,660,301
Teaching agency costs	96,821	37,877
Technology costs	19,891	11,485
Educational supplies	144,549	142,423
Examination fees	138,379	110,497
Staff development	21,899	13,325
Other costs	41,071	30,781
Security and transport	13,870	-
Trip costs	179,102	152,511
Uniform costs	5,443	3,009
Depreciation	327,196	354,391
	<u>4,874,850</u>	<u>4,516,600</u>

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

8. SUPPORT COSTS

	Educational activities 2015 £	Total 2014 £
Technology costs	103,778	117,210
Support staff wages and salaries costs	487,020	336,628
Support staff other costs	5,347	38,784
Recruitment and support	1,041	220
Maintenance of premises and equipment	3,138	3,075
Cleaning	5,968	8,336
Rent & rates	542,547	544,870
Energy costs	156,522	85,239
Insurance	84,532	47,834
Security and transport	14,742	20,308
Catering	203,892	219,467
Bank interest and charges	630	517
Other costs	205,148	91,183
	<u>1,814,305</u>	<u>1,513,671</u>

9. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Direct costs	3,982,917	244,480	647,453	4,874,850	4,516,600
Support costs	489,060	793,000	532,245	1,814,305	1,513,671
	<u>4,471,977</u>	<u>1,037,480</u>	<u>1,179,698</u>	<u>6,689,155</u>	<u>6,030,271</u>
Charitable activities	4,471,977	1,037,480	1,179,698	6,689,155	6,030,271
Governance	-	-	10,188	10,188	48,629
	<u>4,471,977</u>	<u>1,037,480</u>	<u>1,189,886</u>	<u>6,699,343</u>	<u>6,078,900</u>

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Direct costs 2015 £	Support costs 2015 £	Total 2015 £	Total 2014 £
Educational operations	<u>4,874,850</u>	<u>1,814,305</u>	<u>6,689,155</u>	<u>6,030,271</u>

ST. MARY'S CATHOLIC SCHOOL TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	327,196	354,391
Auditor's remuneration - audit of financial statements	5,200	5,200
Auditor's remuneration - non-audit	1,370	950
Auditor's remuneration - internal audit costs	3,619	4,771
Operating lease rentals:		
- plant and machinery	44,934	31,683
- occupation of building	491,761	458,175
	<u>491,761</u>	<u>458,175</u>

12. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,571,789	3,278,825
Social security costs	272,548	256,675
Other pension costs (Note 24)	529,312	461,428
	<u>4,373,649</u>	<u>3,996,928</u>
Supply staff costs	98,328	62,733
	<u>4,471,977</u>	<u>4,059,661</u>

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teaching staff	84	84
Support staff	33	30
	<u>117</u>	<u>114</u>

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12. STAFF (continued)

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	1	0
In the band £110,001 - £115,000	0	1
In the band £115,501 - £120,000	1	0

All three of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015 employer's pension contributions for these staff amounted to £31,455 (2014: £34,947).

13. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration was as follows:

• J Foster (principal and trustee):		
Salary	£115,000 - £120,000	(2014: £110,000 - £115,000)
Pension contributions	£15,000 - £20,000	(2014: £15,000 - £20,000)
P Freeman Myers (staff trustee):		
Salary	resigned 20/06/2014	(2014: £40,000 - £45,000)
Pension contributions	resigned 20/06/2014	(2014: £5,000 - £10,000)
G Wake (staff trustee):		
Salary	£40,000 - £45,000	(2014: £35,000 - £40,000)
Pension contributions	£5,000 - £10,000	(2014: £5,000 - £10,000)
L Ross (staff trustee):		
Salary	resigned 11/12/2014	(2014: £0 - £5,000)
Pension contributions	resigned 11/12/2014	(2014: £0 - £5,000)

During the year ended 31 August 2015, there were no travel and subsistence expenses reimbursed to trustees (2014: £nil).

Other related party transactions involving the trustees are set out in note 26.

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14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,281 (2014 - £1,244). The cost of this insurance is included in the total insurance cost.

15. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	53,000	44,000
Interest on pension scheme liabilities	(43,000)	(41,000)
	10,000	3,000

16. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2014	13,167,000	328,544	14,948	13,510,492
Additions	-	4,810	11,005	15,815
At 31 August 2015	13,167,000	333,354	25,953	13,526,307
Depreciation				
At 1 September 2014	244,480	107,807	2,104	354,391
Charge for the year	244,480	73,719	8,997	327,196
At 31 August 2015	488,960	181,526	11,101	681,587
Net book value				
At 31 August 2015	12,678,040	151,828	14,852	12,844,720
At 31 August 2014	12,922,520	220,737	12,844	13,156,101

Included in Long Term Leasehold Property is land transferred in at a value of £943,000 which is not depreciated.

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17. DEBTORS

	2015 £	2014 £
Trade debtors	940	6,282
Other debtors	77,403	67,626
Prepayments and accrued income	100,618	121,326
	<u>178,961</u>	<u>195,234</u>

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

	2015 £	2014 £
Trade creditors	10,813	138,869
Accruals and deferred income	101,595	31,027
	<u>112,408</u>	<u>169,896</u>

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	406,360	461,355	(426,252)	-	-	441,463
Restricted funds						
General Annual Grant (GAG)	331,611	5,068,184	(4,748,846)	(517,000)	-	133,949
Grant designated to construction project	-	-	-	400,000	-	400,000
Other DfE/EFA grants	39,058	1,048,100	(1,049,316)	-	-	37,842
SEN Funding	-	36,733	(36,733)	-	-	-
Pension reserve	(376,000)	10,000	(111,000)	117,000	32,000	(328,000)
	<u>(5,331)</u>	<u>6,163,017</u>	<u>(5,945,895)</u>	<u>-</u>	<u>32,000</u>	<u>243,791</u>

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19. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/EFA capital grants	19,020	23,541	(9,444)	-	-	33,117
Diocesan capital grant	6,419	9,073	(3,660)	-	-	11,832
Transfer of assets on conversion	13,133,468	-	(314,092)	-	-	12,819,376
	<u>13,158,907</u>	<u>32,614</u>	<u>(327,196)</u>	<u>-</u>	<u>-</u>	<u>12,864,325</u>
Total restricted funds	13,153,576	6,195,631	(6,273,091)	-	32,000	13,108,116
Total of funds	<u>13,559,936</u>	<u>6,656,986</u>	<u>(6,699,343)</u>	<u>-</u>	<u>32,000</u>	<u>13,549,579</u>

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

General Annual Grant (GAG) - funding provided by the DfE for the funding of the academy's educational operations, in line with the Funding Agreement.

Other DfE/EFA grants - other amounts received from the DfE for the funding of the academy's educational operations.

DfE/EFA capital grants - funding that has been received to support capital expenditure by the academy.

Diocesan capital grant - funding that has been received from Newcastle and Hexham Diocese for the purchase of capital items.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	406,360	461,355	(426,252)	-	-	441,463
Restricted funds	(5,331)	6,163,017	(5,945,895)	-	32,000	243,791
Restricted fixed asset funds	13,158,907	32,614	(327,196)	-	-	12,864,325
	<u>13,559,936</u>	<u>6,656,986</u>	<u>(6,699,343)</u>	<u>-</u>	<u>32,000</u>	<u>13,549,579</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	12,844,720	12,844,720	13,156,101
Current assets	441,463	684,200	19,605	1,145,268	949,731
Creditors due within one year	-	(112,409)	-	(112,409)	(169,896)
Provisions for liabilities and charges	-	(328,000)	-	(328,000)	(376,000)
	<u>441,463</u>	<u>243,791</u>	<u>12,864,325</u>	<u>13,549,579</u>	<u>13,559,936</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(42,357)	13,669,936
Returns on investments and servicing of finance	(2,880)	(1,764)
Transfer in from Local Authority	-	(13,596,433)
Depreciation of tangible fixed assets	327,196	354,391
Capital grants from DfE	(23,541)	(21,179)
Capital grants from Diocese	(9,073)	(10,271)
Decrease/(increase) in debtors	16,273	(195,234)
(Decrease)/increase in creditors	(57,488)	169,896
FRS 17 adjustments	(16,000)	(14,000)
Net cash inflow from operations	<u>192,130</u>	<u>355,342</u>

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>2,880</u>	<u>1,764</u>

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22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(15,815)	(28,645)
Capital grants from DfE	23,541	21,179
Capital grants from Diocese	9,073	10,271
Net cash inflow capital expenditure	<u>16,799</u>	<u>2,805</u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	754,497	211,809	966,306
Net funds	<u>754,497</u>	<u>211,809</u>	<u>966,306</u>

24. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

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24. PENSION COMMITMENTS (continued)

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

The pension costs paid to TPS in the period amounted to £404,487 (2014: £391,428).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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 2015 was £147,000, of which employer's contributions totalled £117,000 and employees' contributions totalled £30,000. The agreed contribution rates for future years are 23.6% for employers and 5.5 - 12.5% for employees.

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

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

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,243,000)	(1,124,000)
Fair value of scheme assets	915,000	748,000
Net liability	<u>(328,000)</u>	<u>(376,000)</u>

The amounts recognised in the Statement of financial activities are as follows:

	2015 £	2014 £
Current service cost	(111,000)	(70,000)
Interest on obligation	(43,000)	(41,000)
Expected return on scheme assets	53,000	44,000
Total	<u>(101,000)</u>	<u>(67,000)</u>

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

	2015 £	2014 £
Opening defined benefit obligation transferred on conversion	1,124,000	883,000
Current service cost	111,000	70,000
Interest cost	43,000	41,000
Contributions by scheme participants	30,000	23,000
Actuarial (Gains)/losses	(61,000)	129,000
Benefits paid	(4,000)	(22,000)
Closing defined benefit obligation	<u>1,243,000</u>	<u>1,124,000</u>

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

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

	2015 £	2014 £
Opening fair value of scheme assets transferred on conversion	748,000	603,000
Expected return on assets	53,000	44,000
Actuarial gains	(29,000)	19,000
Contributions by employer	117,000	81,000
Contributions by employees	30,000	23,000
Benefits paid	(4,000)	(22,000)
	<u>915,000</u>	<u>748,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £78,000 (2014 - £110,000).

The Academy expects to contribute £121,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	66.20 %	67.20 %
Government bonds	3.60 %	3.60 %
Corporate bonds	11.60 %	11.50 %
Cash	3.20 %	2.60 %
Property	9.30 %	9.10 %
Other	6.10 %	6.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Rate of increase in salaries	3.50 %	3.60 %
Rate of increase for pensions in payment / inflation	2.00 %	2.10 %
Inflation assumption (CPI)	2.00 %	2.10 %

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

	2015	2014
Retiring today		
Males	23.1	23.0
Females	24.7	24.6
Retiring in 20 years		
Males	25.1	25.0
Females	27.0	26.9

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24. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(1,243,000)	(1,124,000)
Scheme assets	915,000	748,000
Deficit	<u>(328,000)</u>	<u>(376,000)</u>
Experience adjustments on scheme assets	<u>(29,000)</u>	<u>19,000</u>

25. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	838	42
Between 2 and 5 years	<u>43,639</u>	<u>31,179</u>

In addition to the above, on conversion the Academy entered into a long term rental agreement with Newcastle City Council for the buildings occupied. The amount payable each year is not set and instead is calculated via a formula which takes into account the funding to be provided to the Academy each year. The commitment for 2015/16 was set at £503,015.

26. RELATED PARTY TRANSACTIONS

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

During the year the Academy made purchases of £15,547 (2014: £21,839) from the Youth Ministry Trust, of which J Foster is also a Trustee. There was no balance outstanding at the year end (2014: £nil).

The Catholic Diocese of Hexham & Newcastle (the Diocese) has the power to appoint Trustees to the board and therefore is classified as a connected party under the definition included in the Academies Financial Handbook. During the year the Academy received £9,073 (2014: £10,271) of capital grants from the Diocese. The Academy made purchases of £12,146 (2014: £3,611) from the Diocese during the year, of which £1,150 (2014: £170) was outstanding and included in trade creditors at the year end.