

Cathedral Primary School

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2015

Cathedral Primary School

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Cathedral Primary School

REFERENCE AND ADMINISTRATIVE DETAILS

Company Limited by Guarantee Number 08189748 (England and Wales).

REGISTERED OFFICE AND PRINCIPAL ADDRESS

College Square
Bristol
BS1 5TS

MEMBERS

Bristol Cathedral School (Corporate Member)
SR Parsons LIB MBE DL
S l'Anson
C Bridgman
I Wightwick
S Hampton

TRUSTEES

SR Parsons LIB MBE DL (Chairman)
SP Atkinson
N Blundell (Executive Principal)
DM Hoyle MA PhD, Dean of Bristol
BR Knight
PC Knowles (appointed 22 November 2013)
CJ Sims (resigned 8 June 2015)
S Yarnold (Headteacher)
W Shield (appointed 13 October 2014)

Clerk to the Trustees: P Parker

The individuals listed above are the Trustees of the Charity and are also known as the Directors of the Company. The individuals will be referred to as Trustees throughout the annual report.

OFFICERS

Headteacher – S Yarnold
Accounting Officer – S Yarnold

BANK

Allied Irish Bank
19 Whiteladies Road
Clifton
Bristol
BS8 1PB

SOLICITORS

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

INDEPENDENT AUDITOR

Crowe Clark Whitehill LLP
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

Cathedral Primary School

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Trust operates an Academy for students in the Bristol area aged 4 to 11. The Academy is a primary school specialising in music and choral singing.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association dated 22 August 2012 are the primary governing documents of the Academy Trust. The Trustees of Cathedral Primary School are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Cathedral Primary School.

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

Members' Liability

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

Trustees' Indemnities

As disclosed in note 10, professional indemnity insurance is paid on behalf of the Trustees and officers of the Academy Trust.

Method of Recruitment and Appointment or Election of Trustees

The Trust's board is subject to retirement by rotation. Trustees are eligible for re-election at the meeting at which they retire. The Trustees to retire are those who have served the longest in office since their appointment or re-election. New Trustees are recruited in accordance with the Articles of Association and the Governors' Handbook. The term of office for any Trustee is 4 years, although this time limit does not apply to the Principal.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Trustees will be given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there will normally only be two or three new Trustees a year, induction will be done informally and will be tailored specifically to the individual. Mentoring of new Trustees will also be offered, as appropriate, during the first year following appointment.

Organisational Structure

The management structure consists of two levels: the Trustees and the senior management team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Academy's elected and nominated Trustees are appointed at either a meeting of the Trustees or a general meeting of Members. The composition of the Trustees is specified in the Articles of Association of the Academy.

Cathedral Primary School

TRUSTEES' REPORT

Organisational Structure (continued)

Whilst there are a number of provisions to appoint Trustees in varying circumstances the normal membership will be:-

A minimum of 3 Trustees but not subject to a maximum – made up as follows:-

Sponsor Trustees	6
Parent Trustee	2
Staff Trustee	1
The Executive Principal	(acting ex-officio)
Co-opted	3

The role of the sponsor, Bristol Cathedral School, is to oversee the academic and financial performance of the Academy, and to appoint six of the trustees. The trustees are responsible for setting the Academy's policies, adopting the School Development Plan and budget, monitoring performance against these plans and making major decisions about the direction of the Academy including its curriculum, the achievement and welfare of students and staffing.

Until the start of the period, all material matters of concern were considered at meetings of the Full Governing Body. During the year, as a result of the growth of the Academy, a new committee 'Teaching and Learning Standards' has been established. The organisational structure is expected to develop further as the Academy continues to grow. Day to day management is delegated to the Headteacher.

Connected Organisations including Related Party Relationships

Although each is a separate Trust, the financial statements of Bristol Cathedral Choir School ('BCCS') and of Cathedral Primary School share the same sponsor, Bristol Cathedral School, whose role is detailed in the Organisational Structure section above. The Academies share some facilities and the services of the Principal of BCCS and of educational, administrative and financial functions as appropriate. Costs are shared on an equitable basis.

Objectives and Activities

Objects and Aims

The principal object and activity of the Charitable Company is to provide an outstanding education for children between the ages of 4 and 11 across the Bristol area. The Academy is proud of its innovative and creative curriculum which takes full advantage of the wonderful resources surrounding the Academy.

The objects of the Academy are set out in the Company's Articles of Association, namely: *"to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining and carrying on, managing and developing a school offering a broad and balanced Curriculum."*

Objectives, Strategies and Activities

The school development plan focused on:

- Development of curriculum for year 1 and 2 children.
- Growth of the team to include SEN support.
- Use of digital records for EYFS.
- Planning application and approval for the new build.

Public Benefit

In setting objectives and planning the Academy's activities, the Trustees have paid due regard to the published guidance from the Charity Commission regarding the principle of public benefit in exercising their duties.

Cathedral Primary School

TRUSTEES' REPORT

Strategic Report

Achievements and Performance

Key Performance Indicators

The Academy opened on 1 September 2013, accepting 30 children in Reception. On 1 September 2014, the number on role increased to 63 with 30 in Year one and 33 in Reception. The number of applicants continues to substantially exceed the capacity, reflecting the confidence of the populace from the local area and beyond in the potential of the Academy to provide a high standard of education.

In March 2015, planning consent was granted to convert the bottom two floors of the Bristol Central Library into the permanent site for Cathedral Primary School. Work is currently underway on converting the Grade One listed site to create 14 classrooms, a hall and offices, and to convert the library's loading bay in College Square into a main entrance for the free school. This secures the future of the Academy which will create 420 primary places once full.

In April 2015, the Academy had its first Ofsted inspection and was rated at least 'good' in all five inspection categories, and was praised as 'outstanding' for leadership & management and for the behaviour and safety of pupils.

Going Concern

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

Financial Review

Most of the Academy's income is obtained from the Education Funding Agency ("EFA") in the form of recurrent grants and capital grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure supporting the key objectives of the Trust are shown as restricted funds in the Statement of Financial Activities.

The financial position of the Trust is satisfactory.

The Academy has total incoming resources for the year of £680,000 (2014: £464,000) and total resources expended of £701,000 (2014: £326,000) (before a £1,000 actuarial loss on the Local Government Pension Scheme (2014: £1,000 loss)) generating a net deficit of £21,000 (2014: net surplus of £138,000).

The Academy has brought forward reserves as at 1 September 2014 of £123,000 (excluding fixed assets) and carried forward reserves as at 31 August 2015 of £107,000 (excluding fixed assets).

Reserves policy

The Trustees review annually the reserves policy and the level of reserves of the Academy. This review encompassed the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of reserves which are not invested in tangible fixed assets should be equivalent to four weeks expenditure, being estimated as £85,000. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. At 31 August 2015, such reserves totalled £107,000 (2014: £123,000)

The Academy identifies that the value of free reserves available for non-educational purposes is £8,000 (2014: £2,000).

Reserves include a pension deficit in respect of the Local Government Pension Scheme of £10,000 (2014:£4,000).

Cathedral Primary School

TRUSTEES' REPORT

Investment Policy

Investment vehicles are approved by Trustees. The Academy currently uses low risk bank deposits in line with the Trustees' policy.

Principal Risks and Uncertainties

The Trustees have a risk management process to identify, monitor, and manage the risks faced by the Academy. The principal risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

The Trustees consider there to be minimal risk from exposure to financial instruments, as all the monetary assets are retained in cash or short-term deposits. Credit risk is immaterial.

Plans for Future Periods

The Academy's key aims are:

- To maintain interest from the local and wider community in the education being offered such that the places available are filled easily;
- To develop a reputation for delivering a high quality primary education; and
- To secure premises for use in the long-term that are fit for purpose

In 2014 the Trustees together with the Trustees of Bristol Cathedral Choir School ('BCCS') made the decision to form a Multi Academy Trust ('MAT'). A number of factors drove the decision:

- Both schools are unique in terms of specialism, values, ethos, curriculum and admissions. The Trustees recognised that this might better be preserved within a MAT;
- With the founding of the Academy in 2013 there came an increased need for administration that could oversee more than one school. There was some concern over conflicts of interest with Academies sharing governance which would be addressed through formation of the MAT;
- The Trustees recognised that economies of scale are needed and the creation of a MAT provides the opportunity to add additional schools in the future to help ensure value for money.

In March 2015 planning permission was granted to convert the lower ground floor and basement of Bristol Central Library (which are not open to the public) into a new permanent site for the Academy. The Grade One listing building will be converted into 14 classes, a hall and offices and will enable the Academy to grow to a capacity of 420 with two forms in each year group. The library site is just metres from the Academy's temporary home.

Funds Held as Custodian Trustee on Behalf of Others

Neither the Academy nor the Trustees are acting as third party custodial Trustees.

Auditor

In so far as the Trustees are aware:

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

Cathedral Primary School

TRUSTEES' REPORT

The auditor, Crowe Clark Whitehill LLP is willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' report, incorporating a strategic report, was approved by the Board of the Trustees, as the Company's Directors, on **15 December 2015** and signed on the board's behalf by:

.....
Stephen Parsons
Chairman

Cathedral Primary School

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Cathedral Primary School (“the Academy”) 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 the Academy’s objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

Governance

The information included here supplements that described in the Trustees’ Report and in the Statement of Trustees’ Responsibilities.

The Board of Trustees met 6 times during the year including 1 extraordinary meeting. Attendance during the year at meetings of the Board of Trustees was as follows:

S Parsons	6 meetings attended out of a possible 6
S Yarnold	6 meetings attended out of a possible 6
N Blundell	6 meetings attended out of a possible 6
B Knight	4 meetings attended out of a possible 6
D Hoyle	2 meetings attended out of a possible 6
C Sims	3 meetings attended out of a possible 6
S Atkinson	1 meeting attended out of a possible 6
P Knowles	6 meetings attended out of a possible 6
W Shield	5 meetings attended out of a possible 6

Review of Value for Money

As accounting officer the Headteacher has responsibility for ensuring that the Academy 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’s use of its resources has provided good value for money during each academic year, and reports to the Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy has delivered improved value for money during the year by initiating economies of scale through sharing staff and other resources with Bristol Cathedral Choir School and through outsourcing the previously loss-making catering provision.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level, rather than to eliminate all risk of failure to achieve its policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Academy’s policies, aims and objectives, to evaluate the likelihood of those risks being realised, to consider the impact should they be realised, and to manage these risks effectively, efficiently and economically. The system of internal control has been in place at the Academy for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Trustees have 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 Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the Academy’s significant risks that have been

Cathedral Primary School

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

in place for the year ending 31 August 2015 and up to the date of the approval of the Annual Report and Financial Statements. This process is regularly reviewed by the 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 Trustees;
- Regular reviews by the Board of Trustees of reports which indicate financial performance against the forecast 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; and
- Identification and management of risks.

The Trustees have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr Mike Lea, a Trustee of Bristol Cathedral Choir School, to carry out a programme of internal checks. The reviewer'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:

- Testing of payroll systems
- Testing of control accounts /bank reconciliations
- Testing of purchase systems.

On a quarterly basis, the reviewer reports to the Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities. There are no material control issues resulting from any of these reviews.

Review of Effectiveness

As Accounting Officer, the Headteacher 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 reviewer;
- The work of the external auditor; and
- 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 Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15 December 2015 and signed on its behalf by:

.....
Stephen Parsons
Chairman

.....
Sara Yarnold
Accounting Officer

Cathedral Primary School

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cathedral Primary School I have considered my responsibility to notify the Academy's 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy's 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.

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.

.....
Sara Yarnold
Accounting Officer

15 December 2015

Cathedral Primary School

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as Governors of Cathedral Primary School and are also Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 **15 December 2015** and signed on its behalf by:

.....
Stephen Parsons
Chairman

Cathedral Primary School

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Cathedral Primary School.

We have audited the financial statements of Cathedral Primary School for the period ended 31 August 2015 set out on pages 16 to 31. 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 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 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 Charitable Company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the Charitable Company for the purpose 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 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 Trustees' Report including the Strategic Report to identify material inconsistencies with the audited financial statements. 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 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, including the Academies Accounts Direction 2014 to 2015 (SORP 2005) issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Cathedral Primary School

INDEPENDENT AUDITOR'S REPORT

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
- 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.

THIS REPORT HAS NOT YET BEEN SIGNED

Guy Biggin
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date

Cathedral Primary School

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CATHEDRAL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated **25 October 2013** 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 the Academy Trust during the period 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 the governing body and the EFA. Our review work has been undertaken so that we might state to the Academy Trust and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the EFA, for our review work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Academy Trust's Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of the Academy Trust's funding agreement with the Secretary of State of Education 17 June 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 period 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.

Approach

We conducted our engagement in accordance with the Academies Handbook and the Academies Accounts Direction 2014 to 2015 issued by the EFA. We have performed a limited assurance engagement as defined in our engagement letter. The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Academy and specific transactions identified from our review.

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CATHEDRAL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

THIS REPORT HAS NOT YET BEEN SIGNED

Crowe Clark Whitehill LLP

Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date

Cathedral Primary School

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES) for the year ended 31 August 2015

	Notes	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000	Total 2014 £000
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	-	1	-	1	-
Activities for generating funds	3	12	-	-	12	6
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	4	-	661	6	667	458
Total incoming resources		12	662	6	680	464
Resources expended						
<i>Costs of generating funds:</i>						
Costs of generating voluntary income		-	-	-	-	-
Fundraising trading		6	-	-	6	4
<i>Charitable activities:</i>						
Academy's educational operations	6	-	630	54	684	316
<i>Governance costs:</i>	7	-	11	-	11	6
Total resources expended	5	6	641	54	701	326
Net (outgoing)/incoming resources before transfers		6	21	(48)	(21)	138
Gross transfers between funds	14	-	(42)	42	-	-
Net (expenditure)/income for the year		6	(21)	(6)	(21)	138
Actuarial losses on defined benefit pension schemes	19	-	(1)	-	(1)	(1)
Net movement in funds		6	(22)	(6)	(22)	137
RECONCILIATION OF FUNDS:						
Total funds brought forward at 1 September 2014		2	121	84	207	70
Total funds carried forward at 31 August 2015	14	8	99	78	185	207

All of the Academy's activities derive from continuing operations during the above two financial periods.

Cathedral Primary School

BALANCE SHEET

for the year ended 31 August 2015

Company number 08189748

		Year ended 31 August 2015	Period ended 31 August 2014
	Notes	£000	£000
Fixed assets			
Tangible assets	11	<u>78</u>	<u>84</u>
Current assets			
Debtors	12	32	14
Cash at bank and in hand		<u>149</u>	<u>145</u>
		181	159
Creditors			
Creditors: Amounts falling due within one year	13	<u>(64)</u>	<u>(32)</u>
Net current assets		<u>117</u>	<u>127</u>
Total assets less current liabilities (excluding pension scheme liability)		195	211
Pension scheme liability	19	(10)	(4)
Net assets including pension liability		<u><u>185</u></u>	<u><u>207</u></u>
Funds of the Academy Trust:			
Restricted funds			
Restricted fixed asset fund	14	78	84
Pension reserve	14	(10)	(4)
General funds	14	<u>109</u>	<u>125</u>
Total restricted funds		177	205
Unrestricted income funds			
General fund	14	8	2
Total funds		<u><u>185</u></u>	<u><u>207</u></u>

The financial statements on pages 16 to 31 were approved by the Trustees, and authorised for issue on and are signed on their behalf by:

.....
Stephen Parsons
Chairman

Cathedral Primary School

CASH FLOW STATEMENT

for the year ended 31 August 2015

	Notes	2015 £000	2014 £000
Net cash inflow/(outflow) from operating activities	16	46	95
Capital expenditure	17	(42)	32
Increase in cash in the period	18	4	128
Net funds at 1 September		145	17
Net funds at 31 August		149	145

The notes on pages 22 to 39 form part of these financial statements.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Statement of accounting policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming Resources

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

- **Grants receivable**

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 ('GAG') income is recognised in full in the year for which it is receivable and any net unspent amount is carried forward in the restricted general fund.

Capital grants are included in the statement of financial activities on a receivable basis and are not deferred over the life of the assets funded by the grants. Unspent amounts are included in restricted fixed asset fund.

- **Sponsorship income**

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.

- **Donations**

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

- **Other income**

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

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Statement of accounting policies (continued)

- **Donated Services and gifts in kind**

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 Academy's accounting policies.

Resources Expended

All 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, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the Academy's educational operations.

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT where applicable.

Tangible Fixed Assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the balance sheet. Depreciation on 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.

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

Furniture, fixtures and equipment	Over 5 years
ICT equipment	Over 3 years
Minor building works	Over the lesser of 10 years and the period over which benefit is expected to be derived from the works

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Statement of accounting policies (continued)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and then a full year of depreciation is charged in that year.

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.

Leased Assets

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

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.

Pensions Benefits

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 19, 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.

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 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 until 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.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

1 Statement of accounting policies (continued)

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 Education Funding Agency and Department for Education.

Recognition of liabilities

Liabilities are recognised in the financial statements where either a constructive or legal obligation exists.

2 Voluntary income

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Other donations	-	1	1	-
	-	1	1	-

3 Activities for generating funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Music tuition income	3	-	3	-
Uniform sales	2	-	2	3
Educational trips and events	2	-	2	-
Other income	5	-	5	3
	12	-	12	6

4 Funding for the Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
DfE/EFA revenue grants				
General Annual Grant	-	459	459	256
Capital Grants	-	6	6	96
Other DfE/EFA Grants	-	202	202	106
	-	667	667	458

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

5 Resources expended

	Staff costs £000	Non Pay Expenditure Premises £000	Other £000	Total 2015 £000	Total 2014 £000
Costs of generating voluntary income	-	-	-	-	-
Costs of activities for generating funds	-	-	6	6	4
Academy's educational operations:					
Direct costs	211	27	90	328	203
Support costs	31	220	105	356	113
	242	247	201	690	320
Governance costs including allocated support costs	2	-	9	11	6
	244	247	210	701	326

Incoming/outgoing resources for the year include:

	2015 £000	2014 £000
Fees payable to auditor for		
- Audit	6	5
- Other services	-	-

6 Charitable Activities - Academy's Educational Operations

	Total 2015 £000	Total 2014 £000
Direct costs - educational operations		
Teaching and educational support staff costs	211	137
Depreciation	27	17
Technology costs	7	6
Educational supplies	24	16
Staff development	6	3
Educational consultancy	-	6
Other direct costs	53	18
	328	203
Support costs - educational operations		
Support staff costs	31	20
Depreciation	27	22
Technology	2	
Recruitment and support	7	
Maintenance of premises and equipment	3	10
Cleaning	13	6
Rent and rates	160	
Energy costs	12	
Insurance	5	6
Security & transport	-	1
Catering	25	6
Other support costs	71	42
	356	113
Total direct and support costs	684	316

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

7 Governance costs

	Total 2015 £000	Total 2014 £000
Legal and professional fees	3	-
Auditor's remuneration - audit of financial statements	6	5
Support staff costs	2	1
	<hr/> 11 <hr/>	<hr/> 6 <hr/>

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

8 Staff

a. Staff costs

Staff costs during the period were:

	2015	2014
	£000	£000
Wages & salaries	189	121
Social security costs	10	8
Pension costs	32	20
	231	149
Supply teacher costs	13	9
	244	158

b. Staff numbers

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

	2015	2014
	No.	No.
Charitable Activities		
Management & Administration	7	1
Administration & support	3	2
Teachers	3	1
	13	4

c. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was nil (2014: nil).

9 Related party transactions - Trustees' remuneration, benefits and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The Headteacher only receives remuneration in respect of services she provides undertaking the role of Headteacher under her contract of employment, and not in respect of her role as a Trustee. The Executive Principal is not a direct employee of the Academy but is instead employed by Bristol Cathedral Choir School and the Academy is charged a management fee by Bristol Cathedral Choir School for his services as Executive Principal. During the year to 31 August 2015 and up to the date of approval of the financial statements, there have been no Staff Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees.

- S Yarnold (Headteacher and Trustee):
 Remuneration £55,000 - £60,000 (2014: £55,000 - £60,000)
 Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

During the period ended 31 August 2015, travel and subsistence expenses totalling £nil (2014: £nil) were reimbursed or paid directly to Trustees.

Other related party transactions involving the Trustees are set out in note 20.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

10 Trustees' and officers' insurance

The Academy is a member of the EFA's Risk Protection Arrangement which is a voluntary arrangement of pooled risk for academies and schools. It is an alternative to insurance through which the costs of risks that materialise will be covered by government funds. Cover includes Governors Liability to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The cover extends to defence costs and legal liability to pay damages but does not extend to fines, penalties, punitive or exemplary damages. Cover is limited to £5,000,000 on any one claim and in aggregate per annum per Academy member. The cost is part of a larger premium and not identifiable separately.

11 Fixed assets

	Minor building works £000	Furniture & equipment £000	ICT equipment £000	Total £000
Cost:				
At 1 September 2014	65	16	42	123
Additions	15	7	25	48
Disposals	-	-	-	-
At 31 August 2015	80	23	67	171
Depreciation:				
At 1 September 2014	22	3	14	39
Accumulated depn on disposals	-	-	-	-
Charged in year	27	5	22	54
At 31 August 2015	49	8	36	93
Net Book Value:				
At 31 August 2015	32	16	31	78
At 31 August 2014	43	13	28	84

12 Debtors

	2015 £000	2014 £000
Prepayments and accrued income	21	8
VAT recoverable	11	6
	32	14

13 Creditors

	2015 £000	2014 £000
Trade creditors	18	22
Other taxation and social security	4	2
Accruals and deferred income	38	6
Other creditors	4	2
	64	32

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

13 Creditors (continued)

Deferred income

	2015 £000
Deferred income at 1 September 2014	-
Amounts released from previous year	-
Resources deferred in the year	<u>19</u>
Deferred income at 31 August 2015	<u>19</u>

Deferred income includes £2,530 of EFA capital funding and £16,066 of EFA universal infant free school meals funding received in 2014/15 but relating to the academic year 2015/16.

14 Restricted and Unrestricted Funds

	Balance at 1 September 2014 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2015 £000
Restricted General Funds					
General Annual Grant (GAG)	125	459	(471)	(42)	71
Other DfE/EFA grants	-	202	(164)	-	38
Private sector revenue donations	-	1	(1)	-	-
Pension Reserve	(4)	-	(5)	(1)	(10)
	<u>121</u>	<u>662</u>	<u>(641)</u>	<u>(43)</u>	<u>99</u>
Restricted Fixed Asset Funds					
DfE/EFA capital grants	84	6	(54)	-	36
Capital expenditure from GAG	-	-	-	42	42
	<u>84</u>	<u>6</u>	<u>(54)</u>	<u>42</u>	<u>78</u>
Total Restricted Funds	<u>205</u>	<u>668</u>	<u>(695)</u>	<u>(1)</u>	<u>177</u>
Unrestricted funds	2	12	(6)	-	8
Total unrestricted funds	<u>2</u>	<u>12</u>	<u>(6)</u>	<u>-</u>	<u>8</u>
Total funds	<u>207</u>	<u>680</u>	<u>(701)</u>	<u>(1)</u>	<u>185</u>

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

Restricted Fixed Asset Funds:

These grants relate to funding received from the DfE, EFA and private sponsors to carry out works of a capital nature on land, buildings and other fixed assets of the Academy.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

14 Restricted and Unrestricted Funds (continued)

Restricted General Funds:

These funds represent grants received for the Academy's operational activities and development and the related expenditure. The pension reserve relates to the Academy's share of the deficit to the Local Government Pension Scheme administered by Avon Pensions Service. The General Annual Grant (GAG) represents the core educational funding for the Academy from the EFA. 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.

Also included within this fund is pupil premium and other government grants which are to be spent on various restricted purposes as detailed on the original grant letter.

Unrestricted Funds:

The unrestricted funds represent funds which are not restricted for any specific purpose and can be spent as determined by the Trustees.

Transfers between restricted funds

An amount of £42,000 has been transferred from restricted general funds to restricted fixed asset funds to facilitate the purchase of capital assets.

15 Analysis of Net Assets between Funds

Fund balances at 31 August 2015 are represented by:	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	78	78
Current assets	8	173	-	181
Current liabilities	-	(64)	-	(64)
Pension scheme liability	-	(10)	-	(10)
Total net assets	8	99	78	185

16 Net Cash Inflow/(Outflow) from Operating Activities

	Year ended 31 August 2015 £000	Period ended 31 August 2014 £000
Operating (deficit)/surplus	(21)	138
Depreciation (note 5)	54	39
Capital grants from DfE and other capital income	(6)	(106)
FRS 17 pension cost less contributions payable (note 15)	5	3
Decrease/(increase) in debtors	(18)	10
Increase in creditors	32	12
	46	96

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

17 Capital Expenditure

	Year ended 31 August 2015 £000	Period ended 31 August 2014 £000
Purchase of tangible fixed assets	(48)	(74)
Capital funding received	6	106
	<u>(42)</u>	<u>32</u>

18 Increase in Cash in the Year

	At 1 September 2014	Cash flows	At 31 August 2015
Cash at bank and in hand	145	4	<u>149</u>
Total cash and cash equivalents	<u>145</u>	<u>4</u>	<u>149</u>

19 Pension and Similar Obligations

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

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

Contributions amounting to £3,589 (2014: £2,347) were payable to the schemes at 31 August 2015 and are included within creditors. These amounts were due for payment after 31 August 2015.

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.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

19 Pension and Similar Obligations (continued)

Valuation of the Teachers' Pensions 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 for 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 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 £18,880 (2014: £11,496).

A copy of the valuation report and supporting documentation is on the Teachers' Pension 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 this scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £11,000, of which employer's contributions totalled £8,000 and employees' contributions totalled £3,000. The agreed contribution rates for future years are 16.0% for employers and between 5.5% and 8.5% for employees depending on salary banding.

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

Principal Actuarial Assumptions	At 31 August 2015	At 31 August 2014
Discount rate for scheme liabilities	4.0%	4.6%
Inflation assumption (CPI)	2.3%	2.4%
Rate of increase in salaries	3.8%	3.9%
Rate of increase of pensions in payment/inflation	2.3%	2.4%

Cathedral Primary School
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2015

19 Pension and Similar Obligations (continued)

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

	At 31 August 2015	At 31 August 2014
Retiring today - females	25.9	25.8
Retiring today - males	23.4	23.3
Retiring in 20 years - females	28.8	28.7
Retiring in 20 years - males	25.8	25.7

The Academy's share of the assets and obligations in the scheme and the expected rates of return were:

	Expected rate of return 31 August 2015 %	Value at 31 August 2015 £000	Expected rate of return 31 August 2014 %	Value at 31 August 2014 £000
Equities	6.5	11	7.0	3
Government bonds	2.5	2	2.9	1
Other bonds	3.6	2	3.8	1
Property	6.1	1	6.2	1
Cash/liquidity	0.5	-	0.5	-
Other	6.5	2	7.0	1
Total market value of assets		18		7
Present value of scheme liabilities - funded		(28)		(11)
Deficit in scheme		(10)		(4)

The overall expected rate of return has been calculated taking into account the relative proportions of assets types and the expected rate of return for each. The actual return on scheme assets was £nil (2014: £nil)

Amounts recognised in the statement of financial activities:	2015 £000	2014 £000
Current service cost (net of employee contributions payable)	13	8
Total operating charge	13	8

Analysis of pension finance income/(costs)

	2015 £000	2014 £000
Expected return on pension scheme assets	-	-
Interest on pension liabilities Less employer contributions	-	-
Pension finance income/(costs)	-	-

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

19 Pension and Similar Obligations (continued)

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £2,000 loss (2014: £1,000 loss).

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

	2015 £000	2014 £000
Benefit obligation at 1 September	11	-
Current service cost	13	8
Interest on pension liabilities	-	-
Member contributions	3	2
Actuarial losses/(gains) on liabilities	1	1
Benefits paid	-	-
Benefit obligation at 31 August	<u>28</u>	<u>11</u>

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

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

	2015 £000	2014 £000
Fair value of plan assets at 1 September	7	-
Expected return on plan assets	-	-
Actuarial gains on assets	-	-
Member contributions	8	2
Employer contributions	3	5
Benefits/transfers paid	-	-
Benefit obligation at 31 August	18	7

The expected value of employer contributions for the year ended 31 August 2016 is £9,000.

The five year history of experience adjustments is as follows:

	2015	2014
	£000	£000
Present value of defined benefit obligations	(28)	(11)
Fair value of share of scheme assets	18	7
(Deficit) in the scheme	(10)	(4)
Experience adjustments on share of scheme assets (£000)	-	-
Experience adjustments on scheme liabilities (£000)	-	-

20 Related Party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Board of Trustees may have 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.

The following related party transactions took place in the period of account:

- Bristol Cathedral Choir School ('BCCS') – The Academy received administrative and set up assistance during the year to the value of £ (2014: £36,591) from BCCS, of which amount £ (2014: £2,704) was owing at the year-end.
- At Bristol – The Academy organised two group visit to At Bristol during the year at a net cost of £381 (2014: £nil). Mr C Sims (a Trustee of the Academy during the period) is also a Trustee of At Bristol which is a registered charity.

21 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.

22 Ultimate controlling party

It is the opinion of the Board of Trustees that there is no ultimate controlling party.
