

Cathedral Primary School

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2016

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 (during the year until 31 January 2016)

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 (Chair)
N Blundell (resigned 23 March 2016)
S Yarnold (Headteacher)
PC Knowles (resigned 23 March 2016)
W Shield (resigned 23 March 2016)
T Dixon (appointed 07 December 2015 and resigned 23 March 2016)
BR Knight (resigned 23 March 2016)
DM Hoyle MA PhD, Dean of Bristol (resigned 16 February 2016)
SP Atkinson (resigned 23 March 2016)

Clerk : P Parker

SENIOR MANAGEMENT TEAM

Headteacher – S Yarnold
Deputy Headteacher – L Gerolemou (appointed 1 September 2016)
Accounting Officer – S Yarnold

BANK

Allied Irish Bank
19 Whiteladies Road
Clifton
Bristol
BS8 1PB

SOLICITORS

Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

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 2015 to 31 August 2016. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Until 1 February 2016, The Academy Trust operated a primary Academy for students in the Bristol area aged 4 to 11, specialising in music and choral singing.

On 1 February 2016, Cathedral Primary School joined the Cathedral Schools Trust, a Multi Academy Trust (MAT). This decision was taken in 2014 and was driven by a number of factors including:

- 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.

On 1 February 2016 all assets, liabilities and staff of Cathedral Primary School transferred at nil consideration to Cathedral Schools Trust (Company number 06516626) and Cathedral Primary School ceased operations. A deed of variation to the Cathedral Schools Trust funding agreement was authorised by the Secretary of State for Education and came into effect on 28 January 2016.

Therefore, from 1 February 2016, the primary Academy continued to exist but was operated under the control, governance and legal entity of Cathedral Schools Trust.

Structure, Governance and Management

Constitution

Prior to 1 February 2016, Cathedral Primary School was a standalone Academy Trust. An Academy Trust is a company limited by guarantee and is an exempt charity. During this period, the Charitable Company's Memorandum and Articles of Association dated 22 August 2012 were the primary governing documents of the Academy Trust. The Trustees of Cathedral Primary School were also the Directors of the Charitable Company for the purposes of company law. The Charitable Company was known as Cathedral Primary School.

From 1 February 2016, Cathedral Primary School became part of the Cathedral Schools Trust.

Details of the Trustees of the standalone Academy Trust who served during the year are included in the Reference and Administrative Details on page 2. On 23 March 2016, all but two Trustees of the Academy Trust and therefore also the Directors of the Charitable Company, resigned.

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 9, professional indemnity insurance is paid on behalf of the Trustees and officers of the Academy Trust.

Cathedral Primary School

TRUSTEES' REPORT

Method of Recruitment and Appointment or Election of Trustees (applicable prior to 1 February 2016)

New Trustees were recruited in accordance with the Articles of Association and the Governors' Handbook. The term of office for any Trustee was 4 years, although this time limit did not apply to the Executive Principal.

Policies and Procedures Adopted for the Induction and Training of Trustees (applicable prior to 1 February 2016)

The training and induction provided for new Trustees depended on their existing experience. Where necessary induction training was provided on charity and educational, legal and financial matters. All new Trustees were given a tour of the Academy and the chance to meet with staff and students. All Trustees were 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 were normally only two or three new Trustees a year, induction was done informally and tailored specifically to the individual.

Organisational Structure

For the period up to 31 January 2016, the management structure consisted of two levels: the Trustees and the senior management team. From 1 February 2016, the management structure has existed within Cathedral Schools Trust.

Up to 31 January 2016

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

Whilst there were a number of provisions to appoint Trustees in varying circumstances the normal membership was:-
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, was to oversee the academic and financial performance of the Academy, and to appoint six of the trustees. The Trustees were 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.

Day to day management was delegated to the Headteacher.

From 1 February 2016

Details of the multi academy trust organisational structure can be found in the Trustees' Report of Cathedral Schools Trust (registered company number 06516626).

Arrangements for setting pay and remuneration of key management personnel

At the reporting date, no staff are employed by the entity and therefore there is no current requirement to set pay and remuneration.

During the period up to 31 January 2016, the pay and remuneration for key management was set by the Trustees paying due regard to advertised pay scales for comparable roles in the market place.

Cathedral Primary School

TRUSTEES' REPORT

Related parties and other connected Charities and Organisations

Up to 31 January 2016

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

From 1 February 2016

The statutory entity ceased to trade after this date. The Chair of the two remaining Trustees in this period is also the Chair of the Trustees of Cathedral Schools Trust.

Objectives and Activities

Objects and Aims

Since its inception, the principal object and activity of the Charitable Company was to provide an outstanding education for children between the ages of 4 and 11 across the Bristol area. This remains the objective of the Trustees of the multi academy trust, who continue to be proud of its innovative and creative curriculum which takes full advantage of the wonderful resources surrounding it.

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."*

Cathedral Schools Trust has similar objects as 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 with a strong emphasis on, but not limited to, music and choral singing (including the provision of choristers for Bristol Cathedral) and which will provide religious instruction to its pupils in accordance with the tenets of the Church of England."*

Objectives, Strategies and Activities

Activities

The school development plan focused on:

- **ACHIEVEMENT** - To raise attainment and accelerate progress through a commitment to high standards and expectations. Key Stage One and EYFS children to exceed Bristol and National expectations.
- **QUALITY OF TEACHING** - To develop an outstanding curriculum, providing children with deeper and richer learning experiences so that they are inspired and successful
- **BEHAVIOUR AND SAFETY** - To embed the vision and values of the school to promote positive learning behaviours for all children.
- **LEADERSHIP AND MANAGEMENT** - To create an inspiring and highly ambitious team which leads the strategic direction of the school.
- **OVERALL EFFECTIVENESS** - To create an inspiring and ambitious school with an outstanding curriculum that raises attainment and expectations and promotes Spiritual, Moral, Social and cultural development of all pupils.

The objectives, strategies and activities of Cathedral Primary School now form part of the Cathedral Schools Trust and can be found in the Trustees' Report of the multi academy trust.

Cathedral Primary School

TRUSTEES' REPORT

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. The Trustees of Cathedral Schools Trust continue to pay due regard in this respect.

Strategic Report

Achievements and Performance

Key Performance Indicators

Key Stage 1 results

Summer 2016 saw the school's first set of Key Stage 1 results which evidences that pupils are performing well above their peers both in Bristol as a whole and at a National level.

	Cathedral Primary school % working at expected or above	Cathedral Primary school % working at greater depth
Reading	93%	48%
Writing	73%	31%
Maths	90%	34%

	Cathedral Primary school % working at expected or above	Bristol % working at expected or above	National % working at expected or above
Reading	93%	72%	74%
Writing	73%	62%	65%
Maths	90%	70%	73%

Emphasis on music

The school continues to have a strong emphasis on music with 54% of the pupils from Year 1 to Year 3 learning a musical instrument. Alongside this each class has a music specialist teacher working with them once a week for 30 minutes. Currently this is for recorders, violin and African drumming. Children from year 2 upwards are also given the opportunity of joining an afterschool choir. The choir perform at Bristol Cathedral and school events. Close links are made with BCCS and most recently BCCS's Gospel choir performed alongside Cathedral Primary School in a musical achievement evening.

The school continues to plan ways in which music can be developed and in particular this has been with the introduction of musicianship skills.

Key personnel

A deputy head has joined Cathedral Primary School from September 2016. The deputy has worked closely with the Head to plan targets for the School Development Plan.

Demand for places

The school continues to be very oversubscribed with 262 applications for the 45 places available in the September 2015 reception intake.

Buildings

The school continues to function in temporary accommodation but is looking forward to moving into permanent accommodation in June 2017. The school are working closely with Keir and the architects in the development of the school.

It is hoped to increase the PAN to 60 for new reception groups once the school moves to the permanent site (the PAN in September 2015 was 45 and in September 2016 was 50).

Cathedral Primary School

TRUSTEES' REPORT

Going Concern

As the Academy Trust has transferred during the year to Cathedral Schools Trust, a Multi Academy Trust, the financial statements of Cathedral Primary School cannot be prepared under the going concern basis.

However, since there are nil net assets held by the Cathedral Primary School at the year end, the application or otherwise of Going Concern is not considered applicable. Further details 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 2016 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 to the point of transfer (31 January 2016) is satisfactory.

The Academy has total incoming resources for the period to 31 January 2016 of £1,615,000 (to 31 August 2015: £680,000) and total resources expended of £344,000 (to 31 August 2015: £701,000) generating a net surplus for the period to 31 January 2016 of £1,271,000 (31 August 2015: net deficit of £21,000 before a £1,000 actuarial loss on the Local Government Pension Scheme).

The Academy had brought forward reserves as at 1 September 2015 of £107,000 excluding fixed assets of £78,000.

The reserves transferred to Cathedral Schools Trust for nil consideration on 1 February 2016 amounted to £1,456,000 being £234,000 excluding fixed assets and £1,222,000 of fixed assets.

This transfer resulted in the carried forward reserves as at 31 August 2016 being £nil.

Reserves policy

All reserves were transferred to Cathedral Schools Trust on 1 February 2016. The level of reserves held by Cathedral Schools Trust is a matter for the Trustees of Cathedral Schools Trust.

Investment Policy

Investment vehicles are approved by Trustees. For the period prior to transfer to Cathedral Schools Trust, the Academy used low risk bank deposits in line with the Trustees' policy.

Principal Risks and Uncertainties

Prior to 1 February 2016 the Trustees of Cathedral Primary School had in place 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 of Cathedral Schools Trust (from 1 February 2016) have incorporated the risks faced by Cathedral Primary School into their risk management process. They continue to 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.

Cathedral Primary School

TRUSTEES' REPORT

Plans for Future Periods

The entity ceased to trade from 1 February 2016 and it is anticipated that the Trustees will formally wind up the entity in the near future.

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.

The Trustees' report, incorporating a strategic report, was approved by the 2 remaining Trustees, as the Company's Directors, on 15 December 2016 and signed on their behalf by:

.....
Stephen Parsons
Chairman

Cathedral Primary School

GOVERNANCE STATEMENT

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.

Prior to 1st February 2016 the CPS Governors held 2 Full Governors meetings and 1 extraordinary meeting.

Attendance was as follows:

S Parsons	3 meetings attended out of a possible 3
S Yarnold	3 meetings attended out of a possible 3
N Blundell	2 meetings attended out of a possible 3
B Knight	1 meeting attended out of a possible 3
D Hoyle	2 meetings attended out of a possible 3
T Dixon	1 meeting attended out of a possible 1
S Atkinson	0 meetings attended out of a possible 3
P Knowles	3 meetings attended out of a possible 3
W Shield	2 meetings attended out of a possible 3
T Benzecry	1 meetings attended out of a possible 1

Review of Value for Money

As accounting officer the Headteacher 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 Academy Trust’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 appropriate. 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 Cathedral Schools Trust in the period up to 1 February 2016 and then through joining with Cathedral Schools Trust as a MAT where it is anticipated that greater economies of scale might be achieved.

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 Trust’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 Cathedral Primary School for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Cathedral Primary School

GOVERNANCE STATEMENT

Capacity to Handle Risk

The Trustees have reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The 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 in place for the year ending 31 August 2016 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees;
- Regular reviews by the Trustees and more recently the Local Governing Body 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; and
- Identification and management of risks.

The Trustees and more recently the Local Governing Body 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 Cathedral Schools Trust, 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
- Testing of sales systems.

On a quarterly basis, the reviewer reports to the Trustees and more recently the Local Governing Body 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.

Cathedral Primary School

GOVERNANCE STATEMENT

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 ensure continuous improvement of the system is in place.

Approved by the Trustees on 15 December 2016:

.....
Stephen Parsons
Chairman

.....
Sara Yarnold
Accounting Officer

Cathedral Primary School

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE PERIOD TO 31 JANUARY 2016

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 Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered prior to the transfer of Cathedral Primary School to Cathedral Schools Trust on 31 January 2016. From 1 February 2016 the Accounting Officer of Cathedral Schools Trust, Neil Blundell, assumed responsibility for the regularity, propriety, and compliance. The signed statement can be found in the statutory accounts of Cathedral Schools Trust.

.....
Sara Yarnold
Accounting Officer

15 December 2016

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 2016 and signed on its behalf by:

.....
Stephen Parsons
Chairman

Cathedral Primary School

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO MEMBERS OF CATHEDRAL PRIMARY SCHOOL

We have audited the financial statements of Cathedral Primary School for the year ended 31 August 2016 set out on pages 18 to 33. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Academies' Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 Financial reporting Council'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 Strategic Report and 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 charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Academies' Accounts Direction 2015 to 2016 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of Matter

We draw attention to Note 2 of the financial statements which describes the transfer of the net assets at 31 January 2016 to Cathedral Schools Trust. As a result, the financial statements have not been prepared on the going concern basis, as detailed in the accounting policies. The audit opinion is not qualified in respect of this matter as the basis of preparation is appropriate for the specific circumstances arising from this transaction.

Cathedral Primary School

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO MEMBERS OF CATHEDRAL PRIMARY SCHOOL

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' 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
- 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]

[Name]

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Carrick House,

Lypiatt Road,

Cheltenham,

GL50 2QJ

[Date]

Cathedral Primary School

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CATHEDRAL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY FOR THE PERIOD TO 31 JANUARY 2016

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 2015 to 2016, 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 2015 to 31 January 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the 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 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 January 2016 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 2015 to 2016 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.

Cathedral Primary School

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CATHEDRAL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY FOR THE PERIOD TO 31 JANUARY 2016

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 2015 to 31 January 2016 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 2016

	Notes	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2016 £000	Total 2015 £000
Income and endowments from:						
Donations and capital grants	3	-	51	1,259	1,310	7
Charitable activities	4	-	299	-	299	661
Other trading activities	5	6	-	-	6	12
Total		6	350	1,259	1,615	680
Expenditure on:						
Raising funds	6	2	-	-	2	6
Charitable activities	6	-	313	23	336	684
Other	6	-	6	-	6	11
Total resources expended	6	2	319	23	344	701
Net (outgoing)/incoming resources before transfers		4	31	1,236	1,271	(21)
Gross transfers between funds	13	-	92	(92)	-	-
Net (expenditure)/income for the year		4	123	1,144	1,271	(21)
Actuarial losses on defined benefit pension schemes	18	-	-	-	-	(1)
Net movement in funds		4	123	1,144	1,271	(22)
RECONCILIATION OF FUNDS:						
Total funds brought forward at 1 September 2015		8	99	78	185	207
Total funds transferred out on joining CST on 1 February 2016		(12)	(222)	(1,222)	(1,456)	-
Total funds carried forward at 31 August 2016		-	-	-	-	185

The notes on pages 21 to 33 form part of these financial statements.

Cathedral Primary School

BALANCE SHEET

for the year ended 31 August 2016

Company number 08189748

		Year ended 31 August 2016	Year ended 31 August 2015
	Notes	£000	£000
Fixed assets			
Tangible assets	10	-	78
Current assets			
Debtors	11	-	32
Cash at bank and in hand		-	149
			181
Creditors			
Creditors: Amounts falling due within one year	12	-	(64)
Net current assets		-	117
Total assets less current liabilities (excluding pension scheme liability)		-	195
Defined benefit pension scheme liability	18	-	(10)
Total net assets		-	185
Funds of the Academy Trust:			
Restricted funds			
Fixed asset fund	13	-	78
Restricted income fund	13	-	109
Pension reserve	13	-	(10)
Total restricted funds		-	177
Unrestricted income funds	13	-	8
Total funds		-	185

The notes on pages 21 to 33 form part of these financial statements.

The financial statements on pages 18 to 33 were approved by the Trustees, and authorised for issue on 15 December 2016 and are signed on their behalf by:

.....
Stephen Parsons
Chairman

Cathedral Primary School

STATEMENT OF CASH FLOWS for the year ended 31 August 2016

	Notes	2016 £000	2015 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	15	(48)	46
Cash flows from investing activities	16	143	(42)
Change in cash and cash equivalents in the reporting period		<u>95</u>	<u>4</u>
Cash and cash equivalents at 1 September 2015			
		149	145
Cash and cash equivalents transferred to CST at 1 February 2016	2		
Cash at bank and in hand		(380)	
Debtors		(124)	
Creditors (amounts falling due within one year)		260	
Cash and cash equivalents at 31 August 2016		<u>-</u>	<u>149</u>

The notes on pages 21 to 33 form part of these financial statements.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

1 Statement of accounting policies

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

Basis of Preparation

The financial statements of the Academy, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Cathedral Primary School meets the definition of a public benefit entity under FRS 102.

First time adoption of FRS 102

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 21.

Going Concern

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

During the period, on 1 February 2016, all assets, liabilities and operations transferred to Cathedral Schools Trust (company number 06516626) and therefore the Trustees have concluded that from that date the financial statements of Cathedral Primary School should not be prepared on the going concern basis. From 1 February 2016 there have been no transactions accounted for within the legal entity of Cathedral Primary School.

Income

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.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Grants received for a specific purpose are matched with corresponding expenditure as far as possible and carried forward as restricted funds insofar as received before corresponding expenditure is incurred.

- **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 are no performance-related conditions), where the receipt is probable and it is measured reliably.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions), where the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income is recognised in the period it is receivable and to the extent the Academy has provided the goods or services.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

Expenditure

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

- **Expenditure on Raising Funds**

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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 the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired from unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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: A full year of depreciation is charged in the year in which the asset is brought into use.

Long leasehold land and buildings	Over the period of the lease or 50 years whichever is shorter
Furniture, fixtures and equipment	Over 5 years
ICT equipment	Over 3 years
Motor vehicles	Over 4 years
Minor building works	Over 10 years (with the exception of works related to temporarily accommodating the school which are depreciated over 3 years).

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

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.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

Liabilities

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

Provisions

Provisions are recognised when the Academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Interest receivable

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

Debtors

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

Cash at Bank and in hand

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

Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Leased Assets

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

Stock

Unsold uniforms are valued at the lower of cost or net realisable value.

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

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

2 Transfer to Cathedral Schools Trust

On 1 February 2016, Cathedral Primary School was transferred into Cathedral Schools Trust (registered company number 06516626) on the formation of a multi academy trust. The net assets at the date of transfer can be summarised as:

	31 Jan 2016
	£000
Tangible fixed assets	1,222
Debtors	124
Cash at bank and in hand	380
Creditors (amounts falling due within one year)	(260)
Pension scheme liability	(10)
Net assets	<u>1,456</u>

On 1 February 2016, Cathedral Schools Trust assumed ownership and responsibility for the above net assets and as such, they are incorporated into the balance sheet of the multi academy trust at 31 August 2016.

3 Donations and capital grants

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2016	2015
	£000	£000	£000	£000
Capital grants	-	1,310	1,310	6
Other donations	-	-	-	1
	<u>-</u>	<u>1,310</u>	<u>1,310</u>	<u>7</u>

In 2015, of the total income from donations and capital grants £nil was to unrestricted funds and £7,000 was to restricted funds.

4 Charitable Activities: Funding for the Academy's educational operations

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2016	2015
	£000	£000	£000	£000
DfE/EFA grants				
General Annual Grant ('GAG')	-	228	228	376
Start up grant	-	38	38	83
Other DfE/EFA grants	-	29	29	202
	<u>-</u>	<u>295</u>	<u>295</u>	<u>661</u>
Other Government grants				
Local authority grants	-	4	4	-
	<u>-</u>	<u>4</u>	<u>4</u>	<u>-</u>
Total	<u>-</u>	<u>299</u>	<u>299</u>	<u>661</u>

In 2015, of the total income from charitable activities, £nil was to unrestricted funds and £661,000 was to restricted funds.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2016 £000	Total 2015 £000
Music tuition income	1	-	1	3
Uniform sales	1	-	1	2
Educational trips and events	1	-	1	2
Other income	3	-	3	5
	6	-	6	12

In 2015, of the total income from other trading activities, £12,000 was to unrestricted funds and £nil was to restricted funds.

6 Expenditure

	Staff costs £000	Non Pay Premises £000	Expenditure Other £000	Total 2016 £000	Total 2015 £000
Expenditure on raising funds	-	-	2	2	6
Academy's educational operations:					
Direct costs	142	13	43	198	328
Support costs	14	80	44	138	356
	156	93	89	338	690
Governance costs including allocated support costs	2	-	4	6	11
	158	93	93	344	701

In 2016, of the total expenditure, £2,000 (2015 - £6,000) was to unrestricted funds and £342,000 (2015 - £695,000) was to restricted funds.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

7 Staff

a. Staff costs

Staff costs during the period were:

	2016	2015
	£000	£000
Wages & salaries	116	189
Social security costs	7	10
Pension costs	18	32
	141	231
Supply teacher costs	15	13
	156	244

b. Staff numbers

The average number of persons employed by the Academy during the period to 31 January 2016 was as follows:

	2016	2015
	No.	No.
Charitable Activities		
Teachers	7	5
Administration & support	10	6
Management	1	1
	18	12

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 for the period up until transfer to Cathedral Schools Trust was nil (2015 full year: nil).

8 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 prior to being employed by Cathedral Schools Trust. The Headteacher only received remuneration in respect of services she provided undertaking the role of Headteacher under her contract of employment, and not in respect of her role as a Trustee. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees.

- S Yarnold (Headteacher and Trustee):
 Remuneration for the period to 31 January 2016: £25,000 - £30,000
 (2015 full year: £55,000 - £60,000)
 Employer's pension contributions for the period to 31 January 2016: £0- £5,000
 (2015 full year: £5,000 - £10,000)

During the period ended 31 August 2016, travel and subsistence expenses totalling £nil (2015: £nil) were reimbursed or paid directly to Trustees.

Other related party transactions involving the Trustees are set out in note 19.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

9 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.

10 Fixed assets

	Assets in the course of construction £000	Minor building works £000	Furniture & equipment £000	ICT equipment £000	Total £000
Cost:					
At 1 September 2015	-	81	23	67	171
Additions	1,087	-	80	-	1,167
Disposals	-	-	-	-	-
Transferred to CST on 1 Feb 2016	(1,087)	(81)	(103)	(67)	(1,338)
At 31 August 2016	-	-	-	-	-
Depreciation:					
At 1 September 2015	-	49	8	36	93
Accumulated depn on disposals	-	-	-	-	-
Charged in year	-	11	3	9	23
Transferred to CST on 1 Feb 2016	-	(60)	(11)	(45)	(116)
At 31 August 2016	-	-	-	-	-
Net Book Value:					
At 31 August 2015	-	32	15	31	78
At 31 August 2016	-	-	-	-	-

11 Debtors

	2016 £000	2015 £000
Prepayments and accrued income	-	21
VAT recoverable	-	11
	-	32

12 Creditors

	2016 £000	2015 £000
Trade creditors	-	18
Other taxation and social security	-	4
Accruals and deferred income	-	38
Other creditors	-	4
	-	64

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

13 Restricted and Unrestricted Funds

	Balance at 1 September 2015 £000	Incoming Resources £000	Resources Expended £000	Actuarial Gains and Transfers £000	Transfer to CST on 1 February 2016 £000	Balance at 31 August 2016 £000
Restricted General Funds						
General Annual Grant (GAG)	71	266	(197)	92	(232)	-
Other DfE/EFA grants	38	80	(118)	-	-	-
Other Government grants	-	4	(4)	-	-	-
Pension reserve	(10)	-	-	-	10	-
	99	350	(319)	92	(222)	-
Restricted Fixed Asset Funds						
DfE/EFA capital grants	36	1,259	-	(73)	(1,222)	-
Capital expenditure from GAG	42	-	(23)	(19)	-	-
	78	1,259	(23)	(92)	(1,222)	-
Total Restricted Funds	177	1,609	(342)	-	(1,444)	-
Unrestricted funds	8	6	(2)	-	(12)	-
Total Unrestricted Funds	8	6	(2)	-	(12)	-
Total Funds	185	1,615	(344)	-	(1,456)	-

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.

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 Fund. The General Annual Grant (GAG) represents the core educational funding for the Academy from the EFA.

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 £92,000 has been transferred from restricted fixed asset funds to restricted general funds following a successful grant claim for assets which had been funded from GAG in prior periods.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

13 Restricted and Unrestricted Funds (continued)

Transfer to Cathedral Schools Trust

On 1 February 2016, all funds were transferred to the Cathedral Schools Trust.
Any specific purposes for which the funds are to be applied have also been transferred.

14 Analysis of Net Assets between Funds

Fund balances at 31 August 2016 are represented by:	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Pension scheme liability	-	-	-	-
Total net assets	-	-	-	-

15 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2016 £000	2015 £000
Operating (deficit)/surplus	1,271	(21)
Depreciation (note 10)	23	54
Capital grants from DfE and other capital income	(1,310)	(6)
Defined benefit pension scheme cost less contributions payable (note 18)	-	5
Decrease/(increase) in debtors	32	(18)
(Decrease)/Increase in creditors	(64)	32
Net cash provided by/(used in) Operating Activities	(48)	46

16 Capital expenditure

	2016 £000	2015 £000
Purchase of tangible fixed assets	(1,167)	(48)
Capital grants from DfE/EFA	1,310	6
Net cash provided by/(used in) investing activities	143	(42)

17 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.

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

18 Pension and Similar Obligations

The Academy Trust'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 £nil (2015: £3,589) were payable to the schemes at 31 August 2016. The due amounts were £nil as the responsibility for paying all due contributions transferred to CST on 1 February 2016.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' 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
- 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 16.48%. 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 employer's pension costs paid to TPS in the period amounted to £12,553 (2015: £18,880).

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

Cathedral Primary School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2016

18 Pension and Similar Obligations (continued)

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The Academy Trust 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 2016 was £8,000 (2015: £11,000), of which employer's contributions totalled £6,000 (2015: £8,000) and employees' contributions totalled £2,000 (2015: £3,000).

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.

Amounts recognised in the statement of financial activities:

	2016	2015
	£000	£000
Current service cost (net of employee contributions)	5	13
Total operating charge	5	13

The total amount recognised in the statement of financial activities is a charge of £5,000 (2015: £13,000).

19 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 prior to transfer to Cathedral Schools Trust:

- Bristol Cathedral Choir School ('BCCS') – The Academy received administrative and set up assistance during the year to the value of £89,127 (2015: £160,841) from BCCS, of which £nil (2015: £8,827) was owing at the year-end.

20 Ultimate controlling party

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

21 First Time Adoption of FRS102

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

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102. As a result, the surplus for the year ended 31 August 2015 and the total equity as at 1 September 2014 and 1 August 2015 have not changed as a result of the transition from UK GAAP to FRS 102 and the Charities SORP 2015.