

ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details of the Academy, it's Trustees and Advisers	1 - 2
Trustees' Report	3 - 10
Governance Statement	11 - 13
Statement on Regularity, Propriety and Compliance	14
Statement of Trustees' Responsibilities	15
Independent Auditors' Report on the Financial Statements	16 - 18
Independent Reporting Accountant's Assurance Report on Regularity	19 - 20
Statement of Financial Activities Incorporating Income and Expenditure Account	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24 - 44

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Members	C O'Neill The Clifton Catholic Diocesan Education Consortium Declan Lang, Bishop of Clifton
Trustees	C O'Neill, Chair ¹ J Sollars, Headteacher (appointed 1 January 2017) ^{1,2} M Barnard, Headteacher (term expired 31 December 2016) U Bakpa (appointed 1 March 2017) S Cawley (resigned 31 May 2017) ¹ M Colloby (no longer eligible 30 June 2017) ² A Figueiredo (appointed 1 July 2017) M Greenhalgh ^{1,2} D Hinder ² S Thurbon ² B Wasylkiw ¹ S Williams (term expired 31 August 2017) ² ¹ Finance and Resources ² Performance, Standards and Admissions
Company registered number	07727826
Company name	St Dominic's Catholic Primary School
Principal and registered office	St Mary's Hill Inchbrook Stroud Gloucestershire GL5 5HP
Company secretary	C Killey
Accounting Officer	J Sollars
Senior leadership team	Mrs J Sollars, Headteacher (from 1 January 2017) Mrs L Gill, Business Manager Mrs M Barnard, Headteacher (from 1 September 2016 to 31 December 2016)
Independent auditors	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Bankers

Lloyds Bank plc
Stroud
Stroud
Gloucestershire
GL5 3BD

Solicitors

Harrison Clark Rickerbys
Ellenborough House
Wellington Street
Cheltenham
Gloucestershire
GL50 1YD

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 in serving families both within and outside of the parish of The Church of the Annunciation. It has a pupil capacity of 105 and had a roll of 89 in the school census on 1 June 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust, incorporated on 3rd August 2011 and opened as an Academy on 1st September 2011, is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of St Dominic's Catholic Primary School are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as St Dominic's Catholic Primary School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10.

Method of Recruitment and Appointment or Election of Trustees

As a Catholic voluntary Academy, the majority of the governors (eight) are appointed by The Clifton Diocese. Two staff (not including the headteacher) and two parent governors are elected via a secret ballot by staff and parents respectively. One governor is appointed from the local community by the current governing body. Governors retire at the end of their term unless they give notice beforehand.

Governors are appointed for a term of four years, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

Bishop Declan, following any recommendation from the Clifton Catholic Diocesan Education Federation is empowered under article 50 to appoint Foundation Trustees, three of whom at least should be eligible for election as parent governor.

When advertising for new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

There has been a recruitment drive for Foundation Governors from The Clifton Diocese, and that, in conjunction with the governors' push to recruit has already gained an interested party in one of the four vacant posts.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their experience. There is a set induction pack which includes provision of documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are three main committees as follows;

- Finance and Resources Committee - this meets five times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Peer Reviewer and drafting the annual budget including setting staffing levels. It incorporates the role of an audit committee. This committee is also responsible for staffing and premises.
- Performance and Standards Committee - this meets five times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Admissions Committee - meets at least once a year to deal with all matters relating to admissions.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual School Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Headteacher attends every committee meeting, along with other members of the Senior Leadership Team (SLT) as appropriate.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT).

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of key management personnel is reviewed annually by the pay panel and the Finance and Resources Committee.

Connected Organisations, including Related Party Relationships

The school has two main collaborative relationships; one with other Catholic schools under the umbrella organisation of Catholic Clifton Diocesan Educational Foundation, and specifically with other Catholic schools in Gloucestershire; the second with small, local primary schools under the umbrella organisation of the Cotswold View Cluster.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Before becoming an Academy, the majority of the cost of building works had been funded by the Diocese, with governors needing to provide 10% of the cost. A Building Fund for the school had been set up which enabled the governors to collect donations, mainly from parents, and to request Gift Aid in order to meet this cost. The Fund continues as an Academy, although the number of donors has declined.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance, for the public benefit, education in the United Kingdom, in particular by offering a broad range of curriculum for pupils of different abilities.

The Academy aims to provide an educational environment where each child is valued as an individual and offered opportunities to develop their spiritual, moral, intellectual, physical, emotional, social and cultural gifts to their full potential. This is conducted in accordance with the principles, practices and tenets of the Catholic Church and all Catholic canon law, and in particular in relation to arranging for religious education and daily acts of worship, having regard to any advice and following directives issued by the Bishop of Clifton.

The aims of the Academy during the year ended 31 August 2016 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils;
- to provide a broad and balanced curriculum, including extra curricular activities;
- to develop students as more effective learners;
- to maintain and develop the religious character of the school;
- to maintain close links with the Parish;
- to develop the Academy site so that it enables students to achieve their full potential;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to develop greater coherence, clarity and effectiveness in school systems;
- to comply with all appropriate statutory and curriculum requirements;
- to develop the Academy's capacity to manage change; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan which is available from the School Office. Improvement focuses identified for the year include:

- Outcomes for Pupils
- Quality of Teaching, Learning and Assessment
- Personal Development, Behaviour and Welfare
- Leadership and Management
- Catholic Identity of the School

Outcomes for pupils at the end of key stage 2 continued to be good in phonics and reading, with improvements in writing and Mathematics shown this year. The end of KS2 results are above the national average in all areas. However, writing and mathematics and the wider curriculum continue to need further improvement across the school, including development of assessment.

Whilst Teaching and Learning in Early Years has been judged good in the latest Ofsted Inspection carried out in February 2017, all other areas are judged as requiring improvement,

Behaviour is generally good across the school and Safeguarding is also judged as good across the school. Attitude to learning and challenge for more able pupils continue to be areas of focus for 2017/2018.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

There have been a number of changes to the staff and Leadership and Management of the school over the past year. An interim head lead the school from September 2016 until the newly appointed head took up the post in January 2017. The senior teacher also resigned her post from 31st August 2016. Some governors stepped down and new governors joined over the year. In addition, three class teachers have also resigned their posts with effect from 1st June 2017. This has resulted in some instability in the school. An external audit of governance has helped formulate a Governors' School Action Plan, a copy of which can be obtained from the school office.

Staff development and Leadership and management will therefore be an important focus for development in 2017/2018.

EYFS is a strength of the school and pre-school places are now being offered for pupils from 2 years and 9 months. Pre-school and reception children are taught in the same class with provision matched to their needs.

Catholic Identity of the School

A Chaplaincy Team has continued to provide prayer and worship across the school. An increasing number of children proactively seek to lead prayer in assemblies and take ownership of their own class collective worship. Regular termly class and whole school masses have been developed across the school. Parents have been welcomed into school each week to be involved in the celebration assembly on Friday mornings and are also invited to join class and whole school masses. The headteacher will continue to work closely with the Parish Priest and Deacon to strength and develop this further in 2017/18.

The school has vacancies for Foundation Governors to strengthen the Catholic identity of the school further. This is still an area for development for 2017-18.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

This is reflected in the school's primary purpose which is to advance, for the public benefit, education for pupils of different abilities between the ages of 4 and 11 for those of the Catholic faith, or those whose parents seek a faith based education.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its fifth year of operation. The total number of students in the year ended 31 August 2017 was 89.

In the Early Years Foundation Stage (EYFS) 78.6% of pupils achieved a good level of development (GLD) and 100% made at least expected progress in their learning with a large majority achieving good progress in all areas.

In Year 1, 93.3% (14/15) of pupils reached or exceeded the pass mark in the phonics screening check. The school remains above the national average this year.

At the end of KS1 pupils 50% of pupils achieved ARE in all three subjects. This is below the national average.

At the end of KS2 pupils exceeded the National outcomes in Reading, Writing and Mathematics.

The progress of pupils at the end of KS2 from KS1 to KS2 resulted in pupils being 2.6 scale points above the National average in reading (pupils made better than average progress) but in Writing and Maths pupils made less than average progress but were above the floor standard set by the government.

Children are taught in mixed year groups, apart from in Reception which is taught separately. The Teaching assistants are shared across the classes based upon the size of the class and the needs of specific cohorts.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Support is also provided in some classes on Monday, Tuesday, Wednesday and Thursday afternoons.

Parent volunteers have been helping in the Academy this year and the school appreciates their commitment to the children and Academy. They have helped with reading and school trips, and also as PTA members they have organised various fundraisers and social occasions throughout the year.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, work scrutinies and pupil conferences which are undertaken by the Headteacher, Governors and an external advisor

The Academy was inspected by OFSTED in 2017 and was judged to be requiring improvement in teaching and Learning, leadership and Management, and outcomes for pupils. It is judged good in Personal development, behaviour and welfare and in Early Years provision.

Since January the school has relocated and refurbished the staffroom to help raise morale, purchased new outdoor play equipment and storage and purchased new ipads for use in the classrooms to further update technology.

An experienced Special Educational Needs coordinator had built upon the good foundations of SEN provision within school. This was handed over to the headteacher to continue for 2017-18 due to the school's financial constraints.

The school has close links with six other small schools in the area, and is also part of the Gloucestershire Catholic Schools Partnership and the Stroud Association of Schools. Training costs are reduced through these partnerships, as shared opportunities are programmed across the year to meet the needs of the majority of schools. We have taken advantage of these opportunities where they have met our development needs. Over 2017 we have received support from a maths lead teacher in one of the local cluster schools.

During the year, the Academy fundraised for various charities including CAFOD and Stroud Food Bank. The academy community also took part in Operation Christmas Child project, providing Christmas presents for disadvantaged children across the world.

Key Performance Indicators

The school is also subject to canonical inspections and visits of the Bishop of Clifton for the purpose of monitoring the Catholic life of the school, and ensuring that the school is being conducted in accordance with canon law, and is following the practices and teachings of the Catholic Church and in order to allow CCDEF to assess how well the school is being managed in light of the additional responsibilities and expectations of schools which are academies. The school was delighted to have been judged 'outstanding' in the Catholic Diocesan 'Section 48' inspection in May 2013 and strives to maintain this standard.

The school is also monitored through the completion and submission of various returns to the Education and Skills Funding Agency.

A key financial performance indicator is staffing costs as a percentage of GAG. For 2017 this was 81.8%, compared to 82.8% in 2016.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

At 31 August 2017 the net book value of fixed assets was £51,259 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 21 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Governing Body, Headteacher, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Remissions.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately one month's expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. However, the Trustees have been seeking to increase this as they are mindful that pupil numbers have decreased in recent years which will significantly affect GAG funding from the 18/19 financial year. In order to maintain the four class structure the Trustees recognise the need to hold sufficient reserves to fund the school over the time when reduced GAG will take effect. This is why the level of reserves carried forward is higher than the policy level.

Free reserves amounting to £35,090 (representing £35,090 unrestricted funds and £Nil unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents about 1 month of normal recurring expenditure.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Investment Policy

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts (up to six months) to take advantage of higher interest rates. No other form of investment is authorised.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year just under 100% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Peer Reviewer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Pupil Numbers – Minor fluctuations in the numbers can have an impact on the budget for the following year. As with government funding, governors strive to deliver a high quality education to maintain the school's reputation to ensure the continued popularity of the school.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance and Resources Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 21 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 6 December 2017 and signed on the board's behalf by:

**Charles O'Neill
Chair of Trustees**

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that St Dominic's Catholic Primary School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Dominic's Catholic Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C O'Neill, Chair	5	6
J Sollars, Headteacher	5	5
M Barnard, Headteacher	2	2
U Bakpa	3	3
S Cawley	5	6
M Colloby	2	4
A Figueiredo	0	0
M Greenhalgh	5	6
D Hinder	3	6
S Thurbon	6	6
B Wasylkiw	1	6
S Williams	5	6

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to set the budget, monitor expenditure, review the findings of the Peer Reviewer, review service agreements and consider and arrange funding for capital projects.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Barnard	2	2
S Cawley	5	5
M Greenhalgh	1	2
C O'Neill	3	5
J Sollars	3	3
B Wasylkiw	2	5

The Performance, Standards and Admissions Committee is also a sub-committee of the main Board of Trustees. Its purpose is to oversee the management of the school's educational curriculum and its provision, and that it complies with all statutory and legal requirements. The committee will also seek opportunities for improvement and innovation to further the aims of the school.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Colloby	3	5
D Hinder	4	5
J Sollars	3	3
S Thurbon	5	5
S Williams	4	5

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 Board of 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:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Making comparisons with similar Academies using data provided by the EFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Working with cluster schools and the wider Gloucestershire Association of School Business Managers (GASBM) to achieve economies of scale.
- Retaining an experienced SENCo.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Dominic's Catholic Primary School for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

GOVERNANCE STATEMENT (continued)

In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mrs Lesley Taylor, the School Business Manager of Rosary Catholic Primary School to perform peer review.

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:

- checks on the security of the finance office and computer system;
- payroll, petty cash and bank testing;
- ensuring the income and expenditure systems are operating as expected.

Three times a year, the reviewer reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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 peer reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6 December 2017 and signed on their behalf, by:

Mr Charles O'Neill
Chair of Trustees

Mrs Jacqueline Sollars
Accounting Officer

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Dominic's Catholic Primary School I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 2016.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2016.

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 ESFA.

**Mrs Jacqueline Sollars
Accounting Officer**

Date: 6 December 2017

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees (who act as governors of St Dominic's Catholic Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

Mr Charles O'Neill
Chair of Trustees

Date: 6 December 2017

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
DOMINIC'S CATHOLIC PRIMARY SCHOOL**

OPINION

We have audited the financial statements of St Dominic's Catholic Primary School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
DOMINIC'S CATHOLIC PRIMARY SCHOOL**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
DOMINIC'S CATHOLIC PRIMARY SCHOOL**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.

Simon Morrison FCA (Senior Statutory Auditor)

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

19 December 2017

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST
DOMINIC'S CATHOLIC PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 April 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Dominic's Catholic Primary School during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Dominic's Catholic Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Dominic's Catholic Primary School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Dominic's Catholic Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF ST DOMINIC'S CATHOLIC PRIMARY SCHOOL'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of St Dominic's Catholic Primary School's funding agreement with the Secretary of State for Education dated 1 September 2011, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST
DOMINIC'S CATHOLIC PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY
(continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Simon Morrison FCA (Reporting Accountant)

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

19 December 2017

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Restated total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	45	53,173	4,390	57,608	53,989
Charitable activities	3	7,592	478,220	-	485,812	520,174
Other trading activities	4	1,278	-	-	1,278	988
Investments	5	177	-	-	177	134
TOTAL INCOME		9,092	531,393	4,390	544,875	575,285
EXPENDITURE ON:						
Charitable activities		11,641	540,901	19,086	571,628	618,409
TOTAL EXPENDITURE	6	11,641	540,901	19,086	571,628	618,409
NET EXPENDITURE BEFORE TRANSFERS						
Transfers between Funds	17	(2,549)	(9,508)	(14,696)	(26,753)	(43,124)
		-	(3,319)	3,319	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(2,549)	(12,827)	(11,377)	(26,753)	(43,124)
Actuarial gains/(losses) on defined benefit pension schemes	21	-	38,000	-	38,000	(46,000)
NET MOVEMENT IN FUNDS		(2,549)	25,173	(11,377)	11,247	(89,124)
RECONCILIATION OF FUNDS:						
Total funds brought forward		37,639	(260,563)	62,636	(160,288)	(71,164)
TOTAL FUNDS CARRIED FORWARD		35,090	(235,390)	51,259	(149,041)	(160,288)

The notes on pages 24 to 44 form part of these financial statements.

ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07727826

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	Restated 2016 £
FIXED ASSETS					
Tangible assets	13		51,259		62,636
CURRENT ASSETS					
Debtors	14	32,417		17,589	
Cash at bank and in hand		59,606		75,624	
			<u>92,023</u>	<u>93,213</u>	
CREDITORS: amounts falling due within one year	15	(43,323)		(43,137)	
NET CURRENT ASSETS			<u>48,700</u>		50,076
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>99,959</u>		112,712
Defined benefit pension scheme liability	21		(249,000)		(273,000)
NET ASSETS			<u><u>(149,041)</u></u>		<u><u>(160,288)</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	17	13,610		12,437	
Fixed asset funds	17	51,259		62,636	
			<u>64,869</u>	<u>75,073</u>	
Restricted income funds excluding pension liability					
Pension reserve		(249,000)		(273,000)	
			<u>(184,131)</u>	<u>(197,927)</u>	
Total restricted funds					
Unrestricted funds	17		35,090		37,639
TOTAL DEFICIT			<u><u>(149,041)</u></u>		<u><u>(160,288)</u></u>

The financial statements on pages 21 to 44 were approved by the Trustees, and authorised for issue, on 6 December 2017 and are signed on their behalf, by:

Charles O'Neill
Chair of Trustees

The notes on pages 24 to 44 form part of these financial statements.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	Restated 2016 £
Cash flows from operating activities			
Net cash used in operating activities	19	<u>(13,679)</u>	<u>(6,729)</u>
Cash flows from investing activities:			
Interest received		177	134
Purchase of tangible fixed assets		(7,709)	(23,330)
Capital grants from DfE/ESFA		5,193	5,215
Net cash used in investing activities		<u>(2,339)</u>	<u>(17,981)</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		<u>75,624</u>	<u>100,334</u>
Cash and cash equivalents carried forward	20	<u><u>59,606</u></u>	<u><u>75,624</u></u>

The notes on pages 24 to 44 form part of these financial statements.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Dominic's Catholic Primary School constitutes a public benefit entity as defined by FRS 102.

1.2 CHANGE OF ACCOUNTING POLICY

Following new guidance contained in the Academies Accounts Direction 2016 to 2017, where schools join an Academy and obtain permission to occupy buildings under a Church Supplemental Agreement (CSA), those buildings should not be recognised as a fixed asset in the balance sheet of the Academy. This is considered to be a more appropriate policy in order to recognise the true ownership of such buildings where occupation is granted under a two-year rolling license with the risks and rewards of ownership being retained by the land owner.

The Academy occupies its buildings under a CSA and therefore the land and buildings have not been recognised as assets in the balance sheet. Notional rent of £47,820 p.a. has been recognised for the use of the buildings, with an equal notional donation from the Church also recognised.

Prior year adjustment:

Church land and buildings of £2,329,434 was previously recognised in the year ended 31 August 2012 as a donation on conversion in the Statement of Financial Activities (SOFA). Further expenditure improving the church buildings of £61,551 has been capitalised in subsequent years. A prior year adjustment has been processed in these financial statements to de-recognise all these assets and their associated depreciation charges, with a total adjustment to brought forward funds at 1 September 2015 of £2,190,287. Depreciation charged in 2015/16 has been reduced by £47,820. As noted above, £47,820 has also been recognised as a notional rent cost and donation from the Church.

As a result of these changes, the net book value of tangible fixed assets brought forward at 1 September 2016 has reduced from £2,216,130 to £62,636 with a corresponding decrease in restricted fixed asset funds brought forward.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

All income resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

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

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 can be measured reliably.

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

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy has provided the goods and services

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

All expenditure is inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	10 years straight line
Fixtures and fittings	-	10 years straight line
Computer equipment	-	3 years straight line

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.

1.7 OPERATING LEASES

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

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.10 LIABILITIES AND PROVISIONS

Liabilities and provisions 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.11 FINANCIAL INSTRUMENTS

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.12 TAXATION

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

1.13 PENSIONS

Retirement benefits to employees of the Academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 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 21, 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

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 net income/expenditure 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.

1.14 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 with restrictions imposed by the funder and include grants from the Department for Education.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Restated total funds 2016 £
Donations	45	160	4,390	4,595	954
Capital Grants	-	5,193	-	5,193	5,215
Notional donation from Diocese re property occupied	-	47,820	-	47,820	47,820
	<u>45</u>	<u>53,173</u>	<u>4,390</u>	<u>57,608</u>	<u>53,989</u>
<i>Total 2016</i>	<u>-</u>	<u>53,989</u>	<u>-</u>	<u>53,989</u>	

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	437,526	437,526	458,163
Other DfE/ESFA grants	-	14,421	14,421	17,595
	<u>-</u>	<u>451,947</u>	<u>451,947</u>	<u>475,758</u>
Other Government grants				
Other government grants non capital	-	22,787	22,787	30,622
	<u>-</u>	<u>22,787</u>	<u>22,787</u>	<u>30,622</u>
Other funding				
Other	7,592	3,486	11,078	13,794
	<u>7,592</u>	<u>3,486</u>	<u>11,078</u>	<u>13,794</u>
	<u>7,592</u>	<u>478,220</u>	<u>485,812</u>	<u>520,174</u>
<i>Total 2016</i>	<u>5,270</u>	<u>514,904</u>	<u>520,174</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	1,278	-	1,278	988
	<u>1,278</u>	<u>-</u>	<u>1,278</u>	<u>988</u>
<i>Total 2016</i>	<u>988</u>	<u>-</u>	<u>988</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	177	-	177	134
	<u>177</u>	<u>-</u>	<u>177</u>	<u>134</u>
<i>Total 2016</i>	<u>134</u>	<u>-</u>	<u>134</u>	

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Restated total 2016 £
Education:					
Direct costs	306,364	16,333	49,887	372,584	401,694
Support costs	51,638	28,875	118,531	199,044	216,715
	<u>358,002</u>	<u>45,208</u>	<u>168,418</u>	<u>571,628</u>	<u>618,409</u>
<i>Total 2016</i>	<u>379,370</u>	<u>51,913</u>	<u>187,126</u>	<u>618,409</u>	

7. DIRECT COSTS

	Total 2017 £	As restated total 2016 £
Pension finance costs	3,000	5,000
Educational supplies	7,315	10,509
Staff development	3,876	3,606
Educational Trips	10,831	12,227
Educational consultancy	24,865	20,576
Wages and salaries	247,992	265,181
National insurance	15,617	19,679
Pension cost	42,755	48,604
Depreciation	16,333	16,312
	<u>372,584</u>	<u>401,694</u>
<i>Total 2016</i>	<u>401,694</u>	

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

8. SUPPORT COSTS

	Total 2017 £	As restated total 2016 £
Pension finance costs	2,000	4,000
Recruitment and support	718	344
Maintenance of premises and equipment	10,682	11,200
Cleaning	9,633	9,257
Rent and rates	1,950	6,448
Energy costs	6,169	6,584
Insurance	1,034	7,284
Catering	15,514	25,514
Technology costs	544	618
Office overheads	11,170	10,896
Legal and professional	26,887	17,957
Bank interest and charges	32	32
Improvements to Diocesan property occupied	-	11,027
Notional rent to Diocese on property	47,820	47,820
Governance	10,500	9,716
Wages and salaries	35,638	33,617
National insurance	2,099	1,868
Pension cost	13,901	10,421
Depreciation	2,753	2,112
	199,044	216,715
<i>Total 2016</i>	216,715	

9. NET INCOME/(EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2017 £	Restated 2016 £
Depreciation of tangible fixed assets: - owned by the Academy	19,086	18,424
Auditors' remuneration - audit	6,425	5,800
Auditors' remuneration - non-audit	1,008	912
Operating lease rentals	1,358	1,358

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	273,630	298,798
Social security costs	17,716	21,547
Operating costs of defined benefit pension schemes	56,656	59,025
	348,002	379,370
Restructuring costs	10,000	-
	358,002	379,370

Included in restructuring costs are non-statutory severance payments totalling £10,000 (2016: £Nil), comprising of two payments.

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

	2017	2016
	No.	No.
Teachers	8	6
Admin & Support	9	7
Management	1	2
	18	15

Average headcount expressed as a full time equivalent:

	2017	2016
	No.	No.
Teachers	4	4
Admin & Support	4	4
Management	1	2
	9	10

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the Academy comprise the Trustees (who do not receive any remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer's national insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy was £96,774 (2016: £123,424).

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: J Sollars: Remuneration £35,000 - £40,000 (2016: £Nil), Employer's pension contributions £5,000 - £10,000 (2016: £Nil); M Barnard: Remuneration £15,000 - £20,000 (2016: £Nil), Employer's pension contributions £Nil (2016: £Nil); B Ward: Remuneration £Nil (2016: £50,000 - £55,000), Employer's pension contributions £Nil (2016: £5,000- £10,000); M Colloby: Remuneration £20,000 - £25,000 (2016: £25,000 - £30,000), Employer's pension contributions £0 - £5,000 (2016: £0 - £5,000); D Hinder: Remuneration £10,000 - £15,000 (2016: £10,000 - £15,000), Employer's pension contributions £0 - £5,000 (2016: £0 - £5,000).

During the year retirement benefits were accruing to 3 Trustees (2016: 3) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2016: £NIL).

During the year ended 31 August 2017, expenses totalling £223 (2016: £364) were reimbursed to 3 Trustees (2016: 2).

12. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

13. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2016 (as previously stated)	2,390,985	49,260	24,331	44,191	2,508,767
Prior year adjustment	(2,390,985)	-	-	-	(2,390,985)
At 1 September 2016 (as restated)	-	49,260	24,331	44,191	117,782
Additions	-	-	3,050	4,659	7,709
At 31 August 2017	-	49,260	27,381	48,850	125,491
DEPRECIATION					
At 1 September 2016 (as previously stated)	237,491	19,704	8,897	26,545	292,637
Prior year adjustment	(237,491)	-	-	-	(237,491)
At 1 September 2016 (as restated)	-	19,704	8,897	26,545	55,146
Charge for the year	-	4,926	2,739	11,421	19,086
At 31 August 2017	-	24,630	11,636	37,966	74,232
NET BOOK VALUE					
At 31 August 2017	-	24,630	15,745	10,884	51,259
At 31 August 2016 (as restated)	-	29,556	15,434	17,646	62,636

14. DEBTORS

	2017 £	2016 £
Trade debtors	2,506	-
Other debtors	14,007	3,314
Prepayments and accrued income	15,904	14,275
	<u>32,417</u>	<u>17,589</u>

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	11,648	10,044
Other taxation and social security	5,857	5,607
Other creditors	6,337	6,850
Accruals and deferred income	19,481	20,636
	<u>43,323</u>	<u>43,137</u>

	2017 £	2016 £
DEFERRED INCOME		
Deferred income at 1 September	10,247	11,860
Resources deferred during the year	9,167	10,247
Amounts released from previous years	(10,247)	(11,860)
	<u>9,167</u>	<u>10,247</u>

16. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets measured at amortised cost	<u>66,056</u>	<u>79,215</u>
Financial liabilities measured at amortised cost	<u>18,662</u>	<u>20,433</u>

Financial assets measured at amortised cost comprise cash and accrued income.

Financial liabilities measured at amortised cost comprise accruals and trade creditors.

ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

17. STATEMENT OF FUNDS

	Brought forward As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	37,639	9,092	(11,641)	-	-	35,090
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	475,768	(475,768)	-	-	-
Universal Infant Free School Meals	-	14,421	(14,421)	-	-	-
Rates relief	-	1,113	(1,113)	-	-	-
Pupil premium	-	22,787	(22,787)	-	-	-
Devolved formula capital	-	5,193	(1,874)	(3,319)	-	-
Building Improvement Fund	10,445	160	-	-	-	10,605
Sports Funding	1,732	8,465	(7,192)	-	-	3,005
Trip income	260	3,486	(3,746)	-	-	-
Pension reserve	(273,000)	-	(14,000)	-	38,000	(249,000)
	<u>(260,563)</u>	<u>531,393</u>	<u>(540,901)</u>	<u>(3,319)</u>	<u>38,000</u>	<u>(235,390)</u>
RESTRICTED FIXED ASSET FUNDS						
Restricted Fixed Asset Funds - all funds	62,636	4,390	(19,086)	3,319	-	51,259
Total restricted funds	<u>(197,927)</u>	<u>535,783</u>	<u>(559,987)</u>	<u>-</u>	<u>38,000</u>	<u>(184,131)</u>
Total of funds	<u><u>(160,288)</u></u>	<u><u>544,875</u></u>	<u><u>(571,628)</u></u>	<u><u>-</u></u>	<u><u>38,000</u></u>	<u><u>(149,041)</u></u>

STATEMENT OF FUNDS - PRIOR YEAR AS RESTATED

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
UNRESTRICTED FUNDS						
General funds	51,276	5,994	(19,631)	-	-	37,639
	<u>51,276</u>	<u>5,994</u>	<u>(19,631)</u>	<u>-</u>	<u>-</u>	<u>37,639</u>

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General Annual Grant (GAG)	3,824	448,129	(443,305)	(8,648)	-	-
Universal Infat Free School Meals	-	17,595	(17,595)	-	-	-
Pupil Premium	-	30,500	(30,500)	-	-	-
Devolved formula capital	-	5,215	-	(5,215)	-	-
Building Improvement Fund	29,984	954	(11,027)	(9,466)	-	10,445
Sports Funding	1,932	8,465	(8,665)	-	-	1,732
Trip income	-	8,524	(8,264)	-	-	260
Other restricted funds	89	2,089	(2,178)	-	-	-
Pension reserve	(216,000)	-	(11,000)	-	(46,000)	(273,000)
	<u>(180,171)</u>	<u>521,471</u>	<u>(532,534)</u>	<u>(23,329)</u>	<u>(46,000)</u>	<u>(260,563)</u>

RESTRICTED FIXED ASSET FUNDS

DfE/ESFA Capital grants, transfers from GAG and other restricted funds	57,731	-	(18,424)	23,329	-	62,636
	<u>57,731</u>	<u>-</u>	<u>(18,424)</u>	<u>23,329</u>	<u>-</u>	<u>62,636</u>
Total restricted funds	<u>(122,440)</u>	<u>521,471</u>	<u>(550,958)</u>	<u>-</u>	<u>(46,000)</u>	<u>(197,927)</u>
Total of funds	<u>(71,164)</u>	<u>527,465</u>	<u>(570,589)</u>	<u>-</u>	<u>(46,000)</u>	<u>(160,288)</u>

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

RESTRICTED FUNDS

The General Annual Grant represents funding received from the Education and Skills Funding Agency (ESFA) during the period in order to fund the continuing activities of the Academy. During the year £0 (2016: £8,648) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

Universal Infant Free School Meals represents funding received from the ESFA to fund the provision of free school meals to infants.

Pupil premium funding represents amounts received from the ESFA to cater for disadvantaged pupils.

Devolved formula capital represents funds received from the ESFA for the maintenance and purchase of assets. During the year £3,319 (2016: £5,215) was transferred to the restricted fixed asset fund to represent fixed assets purchased from devolved formula capital income.

Building Improvement Fund represents amounts received from parents for the maintenance and purchase of assets. During the year £0 (2016: £9,466) was transferred to the restricted fixed asset fund to represent fixed assets purchased from the building improvement fund.

Sports funding represents amounts received from the ESFA which is to be used to improve PE and Sports provisions.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG funding received from the ESFA, other capital grants and building improvement fund.

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 2017.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	51,259	51,259
Current assets	38,390	53,633	-	92,023
Creditors due within one year	(3,300)	(40,023)	-	(43,323)
Pension scheme liability	-	(249,000)	-	(249,000)
	<u>35,090</u>	<u>(235,390)</u>	<u>51,259</u>	<u>(149,041)</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Restated total funds 2016 £
Tangible fixed assets	-	-	62,636	62,636
Current assets	37,639	55,574	-	93,213
Creditors due within one year	-	(43,137)	-	(43,137)
Provisions for liabilities and charges	-	(273,000)	-	(273,000)
	<u>37,639</u>	<u>(260,563)</u>	<u>62,636</u>	<u>(160,288)</u>

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(26,753)	(43,124)
Adjustment for:		
Depreciation charges	19,086	18,424
Interest received	(177)	(134)
(Increase)/decrease in debtors	(14,828)	9,754
Increase in creditors	186	2,566
Capital grants from DfE and other capital income	(5,193)	(5,215)
Defined benefit pension scheme cost less contributions payable	9,000	2,000
Defined benefit pension scheme finance cost	5,000	9,000
Net cash used in operating activities	(13,679)	(6,729)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	59,606	75,624
	59,606	75,624

21. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Gloucestershire County Council Pension Fund. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £6,083 were payable to the schemes at 31 August 2017 (2016: 6,850) and are included within creditors.

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.

21. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on 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 of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution 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 £25,852 (2016: £35,757).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £25,000 (2016: £26,000), of which employer's contributions totalled £21,000 (2016: £21,000) and employees' contributions totalled £4,000 (2016: £5,000). The agreed contribution rates for future years are 30.6 - 34.6% for employers and 5.3 - 7.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.70 %	2.40 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

21. PENSION COMMITMENTS (continued)

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

	2017	2016
Retiring today		
Males	22.4 years	22.5 years
Females	24.6 years	24.6 years
Retiring in 20 years		
Males	24.0 years	24.4 years
Females	26.4 years	27.0 years

Sensitivity analysis	At 31 August 2017 £	At 31 August 2016 £
Real discount rate -0.5%	64,000	69,000
Salary increase rate +0.5%	18,000	30,000
Pension increase rate +0.5%	45,000	37,000

The above shows the increased pension obligation if the actuarial assumptions are changed.

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	178,000	144,000
Bonds	47,000	44,000
Property	17,000	15,000
Cash and other liquid assets	5,000	8,000
Total market value of assets	247,000	211,000

The actual return on scheme assets was £34,000 (2016: £29,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2017 £	2016 £
Current service cost	(30,000)	(23,000)
Interest income	5,000	6,000
Interest cost	(10,000)	(15,000)
Total	(35,000)	(32,000)

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

21. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening defined benefit obligation	484,000	376,000
Current service cost	30,000	23,000
Interest cost	10,000	15,000
Employee contributions	4,000	5,000
Actuarial (gains)/losses	(29,000)	71,000
Benefits paid	(3,000)	(6,000)
	<u>496,000</u>	<u>484,000</u>
Closing defined benefit obligation	<u>496,000</u>	<u>484,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	211,000	160,000
Interest income	5,000	6,000
Actuarial losses	9,000	25,000
Employer contributions	21,000	21,000
Employee contributions	4,000	5,000
Benefits paid	(3,000)	(6,000)
	<u>247,000</u>	<u>211,000</u>
Closing fair value of scheme assets	<u>247,000</u>	<u>211,000</u>

22. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	961	1,358
Between 1 and 5 years	625	1,586
	<u>1,586</u>	<u>2,944</u>
Total	<u>1,586</u>	<u>2,944</u>

23. 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.

**ST DOMINIC'S CATHOLIC PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

24. GENERAL INFORMATION

St Dominic's Catholic Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is St Mary's Hill, Inchbrook, Stroud, Gloucestershire, GL5 5HP.

25. 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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

26. CONTROLLING PARTY

The Academy is under the control of the Bishop of Clifton by virtue of his ability to appoint the majority of the Board of Trustees.