



The Bishop Wheeler Catholic Academy
Trust

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 August 2015

CONTENTS

	Page No
Reference and Administrative Details	2
Directors' Report	3 – 10
Governance Statement	11 – 13
Statement on Regularity, Propriety and Compliance	14
Statement of Directors' Responsibilities	15
Independent Auditor's Report on the Financial Statements	16 – 17
Statement of Financial Activities incorporating Income & Expenditure Account	18 – 19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements, incorporating:	
• Statement of Accounting Policies	22 – 26
• Other Notes to the Financial Statements	27 – 49

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Rev Monsignor John Wilson Rev Monsignor Michael Joseph McQuinn Caroline Hyde
Principal Finance Officer	Gillian Osborne
Accounting Officer	Darren Beardsley (1.9.2014-31.8.15) (Member of Audit and Finance Committee)
Company Secretary	Anne Tindall

Directors	Christian Name	Surname	Trust Membership	Committee Membership
Principal	Alison	Ashworth	12.02.2013	
Principal	Darren	Beardsley	01.09.2014	Accounting Officer
Parent	Kieran	Bentham	12.02.2013	
Staff	Bernadette	Boswell	12.02.2013	
Foundation	Edward	Diamond	06.05.2013	Chair, Audit Committee
Foundation	Diane	Gaskin	12.02.2013	Chair, Finance Committee
Foundation	Lawrence	Hogan	06.05.2013	Finance Committee
Principal	Peter	Hughes	12.02.2013	Finance Committee
Foun/Chair	Caroline	Hyde	12.02.2013	Chair of Trust Audit and Finance Committees
Foundation	Robert	Lavery	12.02.2013	
Principal	Alixena	Lubomski	12.02.2013	
Foundation	Joseph	McDonnell	12.02.2013	
Foundation	Elizabeth	McGuire	21.10.2014	
Staff	Philippa	Monaghan	12.02.2013	
Foundation	Mgr Paul	Owens	25.09.2013	Vice Chair of Trust
Foundation	Nicholas	Reed	12.02.2013	
Foundation	Diane	Sanderson	06.05.2013- 02.09.2015	Finance Committee
Parent	James	Tindale	12.02.2013- 08.09.2014	Audit Committee
Parent	Marie	Buxton	26.11.2014	

Principal and Registered Office	St Mary's Catholic High School Bradford Road Menston LS29 6AE
Company Registration Number	8399801
Independent Auditor	RSM UK Audit LLP (formerly Baker Tilly UK audit LLP) 2 Whitehall Quay Leeds LS1 4HG
Bankers	Lloyds TSB Bank 25 Gresham Street London EC2V 7HN
Solicitors	Schofield Sweeney Springfield House 76 Wellington Street Leeds LS1 2AY

DIRECTORS' REPORT

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2015.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 13 February 2013 are the primary governing documents of the Academy Trust. The Directors of The Bishop Wheeler Catholic Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as The Bishop Wheeler Catholic Academy Trust.

During the year four schools have converted to Academy status and joined The Trust.
The Bishop Wheeler Catholic Academy Trust is made up of ten academies:

St. Mary's Menston, a Catholic Voluntary Academy
St. Joseph's Catholic Primary School Otley, a Voluntary Academy
Ss. Peter and Paul Catholic Primary School, a Voluntary Academy
Sacred Heart Catholic Primary School, a Voluntary Academy
St. Mary's Horsforth Catholic Voluntary Academy
St. Joseph's Catholic Primary School Pudsey, a Voluntary Academy
St Mary's Catholic Primary School Knaresborough, a Voluntary Academy (wef 01.07.2015)
St Joseph's Catholic Primary School Harrogate, a Voluntary Academy (wef 01.07.2015)
Holy Name Catholic Voluntary Academy, Cookridge (wef 01.08.2015)
St. Stephen's Catholic Primary School and Nursery, a Voluntary Academy Skipton (wef 01.08.2015)

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

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, as required in the Trust's Funding Agreement/Articles of Association, for the debts and liabilities contracted before they ceased to be a member.

Directors' Indemnities

Indemnity for the claims made against the Directors of the Academy Trust as a result of undertaking everyday authorised activities on behalf of the Academy Trust is in place at a level of £5,000,000 and is reviewed annually as part of the whole Trust review of insurances.

Method of Recruitment and Appointment or Election of Directors

- Foundation Directors - (10) appointed by the Diocesan Bishop, following an application process throughout the Diocese and in particular within the Parishes which are served by the Academies within the Trust. Directors are selected in order to provide a broad range of skills and experience and be supportive of Catholic education within the Diocese. They must all be practising Catholics. The Foundation Directors shall always be two more than the total number of other Directors.
- Parent Directors - (2) Elected by and from all the parent governors serving on all the Academy Councils, of all the Academies of the Trust, at the time of their election. There shall always be 2 Parent Directors for every 10 or fewer Academies.
- Principal Directors - (4) Elected by and from all the Principals of all the Academies within the Trust at the time of election. There shall always be at least one principal from a Secondary and one from a Primary Academy. Any Executive Principal shall be a Director as long as s/he remains in office.

DIRECTORS' REPORT

- Staff Directors - (2) Elected by and from all the staff governors serving on all the Academy Councils of all the Academies of the Trust, at the time of their election. However, the Trust Board, now established, will determine the criteria for the election of future Staff Directors, as outlined in the Articles of Association.

The term of office for any Director is 4 years and subject to remaining eligible as outlined above, Directors may be reappointed. Upon the resignation of any Director a replacement will be appointed or elected as outlined above.

Policies and Procedures Adopted for the Induction and Training of Directors

All Directors have access to and are taking advantage of training provided by both the Diocesan Education Office and Leeds and Bradford LAs. Directors are sharing experience and skills as a group and individually where appropriate. The Diocesan Director of Education provides advice and support. A targeted training programme is being developed and induction schemes will be implemented as required.

Organisational Structure

The Trust currently consists of 10 academies: 1 secondary school and 9 partner primary schools. The Trust Board is responsible for the strategic direction of the Trust and has overall responsibility for standards, finance and estate. The Trust has a Finance and Audit Committee to support this role, who normally meet jointly, but separately where appropriate. Other subcommittees may be established as the need is identified. The Trust is also the Admissions Authority and employer for all the Academies within the Trust. The executive leadership and direction is via the Headteachers' Group, which consists of all the Headteachers from all the Academies within the Trust.

The Accounting Officer is the Headteacher of the secondary school.

The Trust is based upon the principle of subsidiarity, with decision making delegated to the most appropriate level. Each Academy has an Academy Council consisting of foundation, parent and staff governors. The organisation of the Academy Councils and their relationship with the Trust Board are outlined in the "Scheme of Delegation". Each Academy Council has agreed and signed the scheme of delegation.

There is a shared central function for business management, finance and HR. All appointments, except Head and Deputy Headteachers, are made locally. Admissions policies and numbers are set by the Diocese in conjunction with the Trust, but administered locally. We are in the process of aligning all statutory policies throughout the Trust and in line with the Catholic Education Service.

Connected Organisations including Related Party Relationships

The Bishop Wheeler Catholic Academy Trust is part of the Diocese of Leeds and works closely with both the Diocesan Education Office and all Catholic schools and Academies within the Diocese. Each individual Academy within the Trust also works closely with our neighbouring schools and communities as well as with our 3 local Authorities: Leeds, Bradford and North Yorkshire.

Each Academy also works with a number of local, national and international charities and organisations in pursuit of the activities as defined in the "Object" of the Trust.

Disability Statement

The Trust considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to facilitate the continuance of their employment with the Trust. The Trust's policy is to provide training, career development and opportunities for promotion for employees with disabilities that are, as far as possible, identical to those for other employees.

DIRECTORS' REPORT

Employee consultation/communication

The Trust has a regular system of staff briefings and internal communications via email, there are also meetings which include the trade unions, HR and senior management team to discuss employee consultation.

Management

The Directors have considered the major risks to which the Trust is exposed and have reviewed those risks and established systems and procedures to manage those risks.

Objectives and Activities

Objects and Aims

The Bishop Wheeler Trust was formed in April 2013 following careful consideration of how we could best take forward our mission as Catholic schools, in the light of the Diocesan document "Building the Future". This challenged governors to consider Catholic Multi-Academy Trusts as a means of strengthening the mission of the Church in relation to schools. Following consultation and discussion within our geographical area, which contains 15 Primary and 2 Secondary Catholic schools, St Mary's Catholic Comprehensive school and the five primary schools decided to convert to academies and become the inaugural members of the Bishop Wheeler Trust.

This summer we were joined by St Mary's, Knaresbrough and St Joseph's, Harrogate, whose Governors were excited by the additional support and development they could achieve as part of our local group of Catholic schools. This is against a backdrop of reduced Local Authority provision, increasing numbers of academies and free schools and the clear advantage and growth of school to school support.

The continued success of our Trust also led to us being asked by Leeds Diocese and the department for Education to sponsor 2 neighbouring Catholic primary schools who were in need of support. We were pleased to welcome St Stephen's, Skipton and Holy Name, Cookridge to the Trust. Both schools have improvement plans in place and are now an integral part of our Trust going from strength to strength supported by and supporting our leadership and teaching groups as well as our Trust finance, HR and administration team.

The Trust, through its member Academies and wider Trust Board, aims to provide a world class Catholic education to the young people and families within the area in conjunction with and as directed by the Diocese of Leeds. The Academies within the Trust work together to develop this provision in line with Gospel values and with due regard to the Catholic Church in order to provide the best possible opportunities for all our young people and families. These objects and aims are outlined in the Articles of Association, Schemes of Delegation and the School Development Plans for each Academy.

The Catholic Education Service application form is used by all individual Academies and complies with the Equality Act 2010. A 'reasonable adjustment' statement is included in application packs. The Trust's Equality and Diversity Policy and Plan is under review for 2015-16, awaiting updated guidance from Leeds City Council. Each Academy has an individual Accessibility Policy and Plan.

The Headteachers meet every half term to discuss aspects of the Trust's Development Plan. The current and projected financial position is reported through the Headteacher's Forum, Trust Finance and Audit Committee and Trust Board. The Trust website is updated regularly with key news and developments. Trust staff meet as a group twice each year for Mass. The Trust Board is committed to maintaining and developing a systematic provision of employee information, through approved Trust policies, appropriate consultation for change, consistent advice from the Trust central office, thereby achieving a common awareness of the Trust's overall performance.

DIRECTORS' REPORT

Objectives, Strategies and Activities - from the Trust Development Plan:

Objective	Strategy
Excellence of curriculum provision, all Trust schools making good/outstanding progress	Heads meet every half term to look at curriculum provision and share practice
Excellent Catholic schools: all Trust schools judged good / outstanding by s48 inspection/Diocesan Review	Practice shared across the schools
School to school support – within our Trust schools, other Catholic schools and our wider community	Plan built on our school's strengths and weaknesses within the Trust initially, with widening focus over time. Teaching School has been fully established, identifying and training key staff
Sustainable finance structure to support all schools and the Trust as a whole	Appropriate actions taking place to accommodate increased membership of the Trust including integration of central services including HR, property, finance, H&S, legal and policy. Review needed to evaluate and challenge effectiveness of original Trust set up considering immediate key strategic issues.
Work towards best value in all expenditure, whilst maintaining our ethos and principle of subsidiarity	Needs are highlighted allowing best value to be the focus for the coming year
Excellent HR provision	Review and develop provision across the Trust to support all Academies
Improve buildings, facilities and capacity	Develop a plan to maximise opportunities for accessing resources. Capacity plan based on projected numbers
Succession planning for staff, teachers and leaders	Ongoing: The schools are benefiting from staff working together
Develop the process and capacity to welcome other schools within our area to join the Trust	Two schools joined 1 July 2015 and two schools joined 1 August 2015
Catholic Ethos and Spirituality	There is a very clear ethos and focus between all the schools of The Trust with Trust Masses and collective worship taking place. Heads feedback progress on action plan from S48 inspection.
Policies	Considerable work has been done to implement statutory policies across the Trust, with procedures specific to individual schools. Grievance and disciplinary standard CES policies are in place. Schools are alerted to changes in CES policies to ensure we are all working to the most recent version. Pay policy to be reviewed annually in December: to go to the Finance Committee for scrutiny. Progress being made to avoid duplication of policies and use Trust-wide policies where appropriate. Critical Incident Training delivered to all Heads and to The Chair of the Trust. Work is on-going with a policy review via Heads in September 2015.

Public Benefit

The Academy Trust's Directors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission (on their website at Charities and Public Benefit) in exercising their power or duties.

DIRECTORS' REPORT

STRATEGIC REPORT

Achievements and Performance

Key Performance Indicators are informed by the Ofsted framework. All Academies utilise the same indicators. School-school internal reviews follow the Ofsted framework. School-school support ensures there is no risk of any Academy falling 'below the radar' in terms of potential dips in standards.

School	Ofsted outcome	Section 48	Headline Results		Pupil No. Actual/ Capacity	Attendance
St Mary's, Menston Catholic Voluntary Academy	Outstanding November 2014	Outstanding March 2014	GCSE % 5A* - C 70% APPE 212		1245/ 1190	93.7%
St. Joseph's Catholic Primary School, Otley	Good November 2014	Outstanding June 2014	R Level 4+ 100% W Level 4+ 97% M Level 4+ 97%	R Level 5+ 70% W Level 5+ 60% M Level 5+ 70%	205/210	96.3%
Ss Peter and Paul Catholic Primary School	Outstanding January 2015	Outstanding March 2015	R Level 4+ 90% W Level 4+ 93 % M Level 4+ 97%	R Level 5+ 70% W Level 5+ 33% M Level 5+ 70%	212/210	98%
Sacred Heart Catholic Primary School Ilkley	Outstanding February 2007	Good March 2013	R 4+ 97% W 4+ 97% M 4+ 90%	R Level 5+ 84% W Level 5+ 73% M Level 5+ 50%	213/210	97%
St Mary's Horsforth Catholic Voluntary Academy	Outstanding March 2013	Outstanding March 2013	R Level 4+ 100% W Level 4+ 93% M Level 4+ 90%	R Level 5+ 57% W Level 5+ 50% M Level 5+ 53%	217/210	97%
St. Joseph's Catholic Primary School Pudsey	Good December 2014	Good March 2014	R Level 4+ 100% W Level 4+ 91% M Level 4+ 97%	R Level 5+ 60% W Level 5+ 50% M Level 5+ 47%	219/210	96.5%
St Mary's Catholic Primary School Knaresborough	Academy Converter	Academy Converter	R Level 4+ 82% W Level 4+ 96% M Level 4+ 89%	R Level 5+ 57% W Level 5+ 57% M Level 5+ 39%	203/210	95.6%
St Joseph's Catholic Primary School Harrogate	Academy Converter	Academy Converter	R Level 4+ 100% W Level 4+ 89% M Level 4+ 93%	R Level 5+ 63% W Level 5+ 41% M Level 5+ 48%	214/210	96.5%
Holy Name Catholic Voluntary Academy, Cookridge	Sponsored Academy Converter	Sponsored Academy Converter	R Level 4+ 96% W Level 4+ 96% M Level 4+ 96%	R Level 5+ 68% W Level 5+ 43% M Level 5+ 28%	205/210	96.5%
St. Stephen's Catholic Primary School, Skipton	Sponsored Academy Converter	Sponsored Academy Converter	R Level 4+ 77% W Level 4+ 73% M Level 4+ 77%	R Level 5+ 38% W Level 5+ 34% M Level 5+ 42%	183/210	94.7%

Going Concern

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

DIRECTORS' REPORT

Financial Review

The principal source of funding is the general annual grant (GAG) allocated by the EFA. £10,001,711 (2014: 9,618,798) was received for the year (Note 4) – an estimated 4.0% increase on the previous year which reflects the stability of all individual Academies' pupil numbers and the addition of the four new schools shortly before the year end. Other government grants, such as the Pupil Premium, have been received in line with pupil eligibility for free school meals over the past six years. Each Academy generates their own income, for example through their catering functions, community use, extended services provisions. Total funding received for the Academy Trust's educational operations is £11,938,055 (2014: 10,914,751) representing an estimated 9.4% increase on the previous year. Resources expended were £12,546,627 (2014: 11,641,497), an increase of 10% over the previous year. Individual budgets are established and approved in line with individual school improvement plans - approved by individual Academy Councils then recommended to the Trust Board for approval. Budgets are monitored and reported to individual finance sub committees at least three times a year where the ongoing financial position is scrutinised. Reports from these meetings are fed back to Academy Council and Trust Board. The Trust's Risk Register is monitored and reported at regular intervals.

In-line with EFA guidelines we require all our Academies to produce balanced budgets within the financial year. Management Intervention Boards are in place in our sponsored Academies, providing the additional support and strategic direction necessary to raise standards and recover deficit budgets over time.

The Risk and Control Framework

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

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

In addition, an internal audit process is in place to test the effectiveness of the internal control procedures. Any remedial actions identified are acted upon accordingly.

DIRECTORS' REPORT

Reserves Policy

Excluding the pension scheme liability and fixed asset fund, the Academy funds carried forward as at 31 August 2015 are a surplus of £1,382,747 (2014: £784,252), this includes £255,725 of reserves introduced by the four new schools which joined in the year.

The split between funds of the surplus is general restricted funds £761,152 (2014: £242,992) and unrestricted funds £621,595 (2014: £541,260). The general restricted funds balance relates to unspent grants from DfE/EFA that are allocated against projects that will take place within the next 12 months.

It is the intention of the Trustees that unrestricted funds are substantial enough to cover the Academy's normal operating expenditure for one month, to ensure protection against both foreseen and unforeseen events which would place a strain on the day to day running of the Academy. Each Academy may choose to build up additional reserves to fund capital projects and to cover the cost of significant property maintenance.

The fixed asset funds of £13,059,183 are represented by fixed assets with a carrying value of £12,379,703 (2014: £9,499,772), plus additional funds of £679,480 received for the new science block development at St Mary's Menston.

The Trust's pension scheme liability at 31 August 2015 amounted to £2,345,000 (2014: £1,357,000), a significant part of the increase being the £1,021,000 of deficit brought in on behalf of the converting schools. This liability does not have an immediate impact on cash flow, but may result in increased contributions in future years. Parliament has agreed, that at the request of the Secretary of State for Education, to guarantee that in the event of an academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education.

Investment Policy

Investment decisions will be considered and authorised by the Finance Committee. A register of investments will be held as appropriate, ensuring social, environmental and ethical considerations are taken into account.

Principal Risks and Uncertainties

The principal risk is the increase in employee costs with no additional funding to support this, alongside reduction in government funding, notably the decrease in the education services grant to come into effect in September 2015.

Plans for Future Periods

Directors have a strategic plan across all the Academies. This builds upon the individual school development plans of each Academy as well as a wider view of the need to provide high quality Catholic education which can be available to all the families within our area.

The greatest challenges are maintaining and developing dated buildings, providing additional school places as required and continuing to offer high quality education against shrinking budgets. St Joseph's Pudsey is expanding to 1.5 form entry in September 2015. The expansion building work commenced in January 2015. We will look to develop central provision where this is most appropriate and cost effective, whilst maintaining the principle of subsidiarity. The Trust will develop as a model for the provision of the best Catholic education, support other Catholic schools and develop future Catholic teachers and school leaders.

DIRECTORS' REPORT

Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has indicated its willingness to continue in office.

Statement as to disclosure of information to the auditor

Insofar as the Directors are aware:

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

The Directors' Report and the Strategic Report (including therein) is approved by order of the Trust Board of Directors at the Audit and Finance Committee Meeting on 9 December 2015 and signed on its behalf by:

Caroline Hyde
Chair of the Trust

GOVERNANCE STATEMENT

Scope of Responsibility

As Directors we acknowledge we have overall responsibility for ensuring that The Bishop Wheeler Catholic Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

During the year ended 31 August 2015 the Board of Directors has delegated the day-to-day responsibility to Darren Beardsley, Headteacher, St Mary's, Menston, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Bishop Wheeler Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 5 times during the year. One meeting was an extraordinary meeting to accept new academies into The Trust. Attendance during the year at meetings of the Board of Directors was as follows:

Director:	Meetings attended of possible
Alison Ashworth	4 of 5
Darren Beardsley	5 of 5
Kieran Bentham	2 of 5
Bernadette Boswell	3 of 5
Marie Buxton	4 of 4
Edward Diamond	4 of 5
Diane Gaskin	5 of 5
Lawrence Hogan	3 of 5
Peter Hughes	3 of 5
Caroline Hyde	5 of 5
Robert Lavery	5 of 5
Alixena Lubomski	3 of 5
Joseph McDonnell	5 of 5
Elizabeth McGuire	4 of 4
Philippa Monaghan	4 of 5
Mgr Paul Owens	3 of 5
Nicholas Reed	5 of 5
Diane Sanderson	5 of 5

Finance and Audit Committees

Where needed, the Finance and Audit Committees meet separately as sub-committees of the main Board of Directors, where their roles and terms of reference are clearly defined. However they are currently working as a joint committee.

Purpose of the Finance Committee:

- ensure strategic financial plans reflect the Trust's key objectives;
- oversee financial planning and approve annual budgets, ensuring short term budgets are in line with agreed longer term plans;
- ensure that proper accounts and records are maintained;
- safeguard assets;
- manage the Trust's investments;

GOVERNANCE STATEMENT

- ensure financial solvency is fulfilled;
- prepare, monitor and review financial policies and recommend approval to the Board;
- monitor the financial position through accurate and timely reports;
- monitor and review best value for money principles; and
- review insurance policies annually.

Purpose of the Audit Committee:

- gain assurance that the Trust's risk management, control and governance arrangements are adequate and effective;
- appoint and engage the external auditor and review remuneration and terms of engagement annually;
- monitor the integrity of the financial statements, reviewing reporting judgments contained in them;
- review the effectiveness of the systems of internal control through the internal audit function;
- promote and secure co-ordination between the external and internal audit functions;
- monitor the implementation of audit recommendations; and
- monitor and maintain the risk management plan (risk register).

Two meetings of the joint Finance and Audit Committees took place with attendance at the meetings as follows:

Directors:	Meetings attended	Out of a possible
Edward Diamond	2	2
Diane Gaskin	2	2
Lawrence Hogan	1	2
Peter Hughes	1	2
Caroline Hyde	1	2
Darren Beardsley	2	2
Diane Sanderson	2	2

Review of Value for Money

The Accounting Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by putting out to tender the legal and HR support provision, undertaking a review of IT contracts and centralising the purchase ledger prior to commencing a review of the trust wide procurement processes.

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 on-going process designed to identify and prioritise the risks to the achievement of Academy Trust 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 generic system of internal control is in place in each Academy, the values of delegated duties tailored to reflect each Academy's needs.

GOVERNANCE STATEMENT

Capacity to Handle Risk

The Board of Directors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks up to the date of approval of the annual report and financial statements. This process is reviewed regularly by the Audit Committee and reported back to the Trust Board.

The Risk and Control Framework

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

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

The Board of Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed the Business Manager of St Wilfrid's Catholic High School & Sixth Form College to perform a peer review.

Review of Effectiveness

Darren Beardsley has responsibility for reviewing the effectiveness of the system of internal control. The review has been informed by:

- the work of the peer reviewer;
- the work of the external auditor; and
- the work of the executive managers within the academy trust 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 audit 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 Directors on 9 December 2015 and signed on its behalf by:

Caroline Hyde
Chair of Trust Board

Darren Beardsley
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Darren Beardsley
Accounting Officer

Date: 9 December 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors (who act as governors of The Bishop Wheeler Catholic Academy Trust and are also the trustees of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report (including Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Directors on 9 December 2015 and signed on its behalf by:

Caroline Hyde
Chair of Trust Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISHOP WHEELER CATHOLIC ACADEMY TRUST YEAR ENDING ON 31 AUGUST 2015

We have audited the financial statements of The Bishop Wheeler Catholic Academy Trust for the year ended 31 August 2015 on pages 17 to 48. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 14, the directors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Opinion on other requirement of the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BISHOP WHEELER
CATHOLIC ACADEMY TRUST YEAR ENDING ON 31 AUGUST 2015 (continued)**

Matters on which we are required to report by exception

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

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

VICTORIA CRAVEN (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP), Statutory Auditor

Chartered Accountants

2 Whitehall Quay

Leeds

LS1 4HG

Date



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

	Notes	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Year ended 31 Aug 2015 £	Year ended 31 Aug 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	1	116,294	536,943	679,480	1,332,717	529,416
Activities for generating funds	2	113,435	91,562	-	204,997	122,248
Investment income	3	1,296	-	-	1,296	-
Voluntary income – transfer on conversion	22	-	255,725	3,280,000	3,535,725	-
Incoming resources from charitable activities:						
Academy Trust's educational operations	4	803,074	11,134,981	-	11,938,055	10,914,751
TOTAL INCOMING RESOURCES		1,034,099	12,019,211	3,959,480	17,012,790	11,566,415
RESOURCES EXPENDED						
Cost of generating funds:						
Costs of generating voluntary income		-	11,059	-	11,059	11,461
Charitable activities:						
Academy Trust's educational operations	6	953,764	11,192,844	400,019	12,546,627	11,641,497
Governance costs	7	-	289,148	-	289,148	99,398
Other resources expended – transfer from local authority on conversion	22	-	1,021,000	-	1,021,000	-
TOTAL RESOURCES EXPENDED		953,764	12,514,051	400,019	13,867,834	11,752,356
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		80,335	(494,840)	3,559,461	3,144,956	(185,941)
Transfers between funds	15	-	-	-	-	-



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

	Notes	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Year ended 31 Aug 2015	Year ended 31 Aug 2014
NET INCOME/(EXPENDITURE) FOR THE YEAR		80,335	(494,840)	3,559,461	3,144,956	(185,941)
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gain on defined benefit schemes	24	-	25,000	-	25,000	133,000
NET MOVEMENT IN FUNDS		80,335	(469,840)	3,559,461	3,169,956	(52,941)
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		541,260	(1,114,008)	9,499,722	8,926,974	8,979,915
TOTAL FUNDS CARRIED FORWARD	15	621,595	(1,583,848)	13,059,183	12,096,930	8,926,974

All of the Academy Trust's activities derive from continuing operations and acquisitions in the year.

BALANCE SHEET

31 August 2015

Company Registration No. 8399801

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	12	12,379,703	9,499,722
CURRENT ASSETS			
Debtors	13	691,205	199,511
Cash at bank and in hand		2,219,665	950,219
		<u>2,910,870</u>	<u>1,149,730</u>
CREDITORS: Amounts falling due within one year	14	<u>(848,643)</u>	<u>(365,478)</u>
NET CURRENT ASSETS		<u>2,062,227</u>	<u>784,252</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		14,441,930	10,283,974
Pension scheme liability	24	<u>(2,345,000)</u>	<u>(1,357,000)</u>
NET ASSETS INCLUDING PENSION LIABILITY		<u>12,096,930</u>	<u>8,926,974</u>
FUNDS OF THE ACADEMY TRUST:			
RESTRICTED FUNDS			
Fixed asset fund		13,059,183	9,499,722
General fund		761,152	242,992
Restricted funds excluding pension reserve	15	13,820,335	9,742,714
Pension reserve	15	<u>(2,345,000)</u>	<u>(1,357,000)</u>
TOTAL RESTRICTED FUNDS		<u>11,475,335</u>	<u>8,385,714</u>
TOTAL UNRESTRICTED INCOME FUNDS	15	<u>621,595</u>	<u>541,260</u>
TOTAL FUNDS		<u>12,096,930</u>	<u>8,926,974</u>

The financial statements on pages 18 to 49 were approved by the trustees and authorised for issue on 9 December 2015, and are signed on their behalf by:

.....
Caroline Hyde
Chair of Trust Board

CASH FLOW STATEMENT
for the year ended 31 August 2015

	Notes	Year ended 31 Aug 2015 £	Year ended 31 Aug 2014 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	1,194,799	324,325
Return on investment and servicing of finance			
Interest received		1,296	-
Capital expenditure	19	-	(70,477)
Cash transferred on conversion to an academy trust	20	73,351	-
INCREASE IN CASH IN THE PERIOD		<u>1,269,446</u>	<u>253,848</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
NET FUNDS AT 1 SEPTEMBER		950,219	696,371
Increase in cash in the period		<u>1,269,446</u>	<u>253,848</u>
NET FUNDS AT 31 AUGUST		<u>2,219,665</u>	<u>950,219</u>

All of the cash flows are derived from continuing operations and acquisitions in the year.

ACCOUNTING POLICIES for the year ended 31 August 2015

Basis of preparation

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

Going Concern

The Directors assess whether or not there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Directors will make the assessment in respect of a period of one year from the date of approval of each set of financial statements.

Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. The constraints placed on income received will determine whether or not the income is restricted or unrestricted. Unrestricted income can be used for any purpose directed by the Directors in accordance with the objects of the Trust.

Grants receivable

Grant income is 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.

The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

Donations

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

Other income

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

Donated Services and gifts in kind

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

ACCOUNTING POLICIES (*continued*)
for the year ended 31 August 2015

Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

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

Charitable activities

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

Conversion to an Academy Trust

The conversion from a state maintained school to an academy trust, involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from the maintained school to The Bishop Wheeler Catholic Academy Trust were valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Bishop Wheeler Catholic Academy Trust. The amounts were recognised under the appropriate balance sheet categorised, with a corresponding amount recognised in voluntary income as a gift or as net expenditure in other resources expended in the SOFA and analysed under unrestricted, restricted general and restricted fixed assets funds. Further details of the transaction are set out in note 22.

Governance Costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses. All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Groups of assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

- long leasehold buildings – over the life of the asset
- leasehold land – 125 years
- fixtures, fittings and equipment – 20% - 33.33% straight line
- ICT equipment – 25% straight line

ACCOUNTING POLICIES (*continued*)
for the year ended 31 August 2015

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.

Disposal of Assets

Up to £500 – authorised by Headteacher
Over £500 – authorised by Academy Council Finance sub-committees

Asset disposal forms will be signed and retained by the Finance Officer.

Security of Assets

Budget holders are responsible for the care, custody and security of the stock and equipment under their control. They will consult the Finance Director when they consider additional security arrangements may be needed. Assets shall not be subject to personal use without authorisation.

Land and Buildings occupied under licence

Where land or buildings are occupied under licence from the Diocese of Leeds or The Ampleforth Abbey Trust then the assets are recognised on the balance sheet at their fair value on conversion. This is treated as deemed cost.

Leased Assets

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

Stock

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

Recognition of liabilities and other provisions

Liabilities are recognised when a legal or constructive obligation arises as a result of a past event.

Taxation

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

Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), until April 2016, and the assets are held separately from those of the Academy Trust.

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

ACCOUNTING POLICIES *(continued)* for the year ended 31 August 2015

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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

Transfers between funds are made where allowable and appropriate.

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included as amounts due to EFA.

Treasury Management Policy

Treasury management is defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice for Treasury Management in the Public Services as the management of the Academy's cash flows, banking, money market and capital market transactions; the effective management of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The objectives of treasury management are:

- a) to provide a means by which the Academy can meet its commitments;
- b) to ensure that sufficient sums are available at short or no notice to meet foreseeable requirements;
- c) to earn an acceptable rate of return on surplus funds without undue risk; and
- d) to spread risk between differing types of investment and institutions.

1. Responsibility

The Accounting Officer has overall responsibility for the security and management of funds. The day to day management of the treasury function is controlled by the Finance Director.

2. Borrowing of Funds

Academies are not permitted to borrow without prior permission of the Secretary of State.

ACCOUNTING POLICIES (*continued*)
for the year ended 31 August 2015

3. **Investment of Funds**

A return on working capital should be optimised whilst allowing easy access of the funds. **In balancing risk against return the Academy policy is clearly geared towards avoiding risk than to maximising return.**

Monies surplus to the working requirements shall be invested in an account in the name of the Trust with approved institutions authorised by the Trust.

The Trust will not take out any long term investments until a reliable cash flow pattern has been established. Monies will only be paid into approved bank deposit accounts allowing access to funds within a term not exceeding three months.

The Trustees will ensure that the Trust maintains sufficient reserves to meet unexpected expenditure.

4. **Register of Investments**

The Finance Director will maintain a register of all deposits/investments held which will record:

- institution with which the deposit was made
- date deposit was placed
- amount deposited
- date of maturity
- amount returned
- interest earned
- rate of interest obtained
- authorisation for the transaction

5. **Credit Risk**

Credit risk will be minimised by ensuring that funds are spread across a range of institutions as appropriate. The limits of funds invested with approved institutions will be approved at least annually by the Trust Board and more frequently subject to market conditions.

6. **Cash Flow Forecasts**

The Finance Director and Group Accountant will prepare and present an annual monthly cash flow statement to the Trust Finance Sub Committee at the beginning of each academic year in order to highlight expected cash balances throughout the year that may be invested and give early warning of any need to seek approval to borrow. They will then subsequently maintain a rolling 12 month forecast.

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

1 VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Year ended 31 Aug 2015 Total	Year ended 31 Aug 2014 Total
	£	£	£	£	£
DfE/EFA capital grant for building	-	536,943	679,480	1,216,423	445,240
Other donations	116,294	-	-	116,294	84,176
	<u>116,294</u>	<u>536,943</u>	<u>679,480</u>	<u>1,332,717</u>	<u>529,416</u>

2 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Year ended 31 Aug 2015 Total	Year ended 31 Aug 2014 Total
	£	£	£	£	£
Income from recharge of services	111,944	-	-	111,944	5,000
Extended services	-	91,562	-	91,562	103,682
Other income	1,491	-	-	1,491	13,566
	<u>113,435</u>	<u>91,562</u>	<u>-</u>	<u>204,997</u>	<u>122,248</u>

3 INVESTMENT INCOME – SHORT TERM DEPOSITS

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Year ended 31 Aug 2015 Total	Year ended 31 Aug 2014 Total
	£	£	£	£	£
Short term deposits	1,296	-	-	1,296	-
	<u>1,296</u>	<u>-</u>	<u>-</u>	<u>1,296</u>	<u>-</u>

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

4	FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS				
	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Year ended 31 Aug 2015 Total	Year ended 31 Aug 2014 Total
	£	£	£	£	£
DfE/EFA REVENUE					
GRANTS:					
General Annual Grant	-	10,001,711	-	10,001,711	9,618,798
Other DfE/EFA grants	-	639,150	-	639,150	332,806
Start up grants	-	195,000	-	195,000	-
Other income:					
Other Government					
Grants	-	141,038	-	141,038	148,317
Catering income	323,678	-	-	323,678	358,565
Trip income	309,543	-	-	309,543	235,007
Hire of facilities	95,919	-	-	95,919	84,163
Other income	73,934	158,082	-	232,016	137,095
	<u>803,074</u>	<u>11,134,981</u>	<u>-</u>	<u>11,938,055</u>	<u>10,914,751</u>

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

5 RESOURCES EXPENDED

	Staff Costs	Premises Costs	Other Costs	Year ended 31 Aug 2015 Total	Year ended 31 Aug 2014 Total
	£	£	£	£	£
Cost of activities for generating voluntary income	-	11,059	-	11,059	11,461
Academy's educational operations:					
Direct costs	7,536,770	400,019	633,799	8,570,588	8,037,724
Allocated support costs	1,586,684	930,976	1,458,379	3,976,039	3,603,773
Other resources expended transfer from local authority on conversion	-	-	1,021,000	1,021,000	-
	9,123,454	1,342,054	3,113,178	13,578,686	11,652,958
Governance costs including allocated support costs	-	-	289,148	289,148	99,398
	9,123,454	1,342,054	3,403,326	13,867,834	11,752,356
				Year ended 31 Aug 2015 Total	Year ended 31 Aug 2014 Total
				£	£
Net (outgoing)/incoming resources for the period are stated after charging:					
Operating leases:					
Plant and machinery				76,102	67,855
Fees payable to RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) and associates for:					
Audit				37,500	34,046
Other services				11,687	-

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

6 CHARITABLE ACTIVITIES – ACADEMY EDUCATIONAL OPERATIONS

	Year ended 31 Aug 2015 Total £	Year ended 31 Aug 2014 Total £
DIRECT COSTS		
Teaching and educational support staff costs	7,536,770	7,120,819
Depreciation	400,019	383,493
Educational supplies	193,304	195,097
Examination fees	146,274	122,300
Staff development	56,793	50,740
Educational consultancy	147,024	77,928
Other direct costs	90,404	87,347
	<u>8,570,588</u>	<u>8,037,724</u>
ALLOCATED SUPPORT COSTS		
Support staff costs	1,586,684	1,553,882
Technology	169,812	200,438
Recruitment and support	24,934	20,742
Maintenance of premises and equipment	692,840	574,339
Cleaning	40,730	28,632
Rent and rates	83,427	76,940
Energy costs	154,709	160,158
Insurance	133,860	118,451
Security and transport	42,642	37,141
Catering	445,077	375,042
Bank interest and charges	1,918	802
Pension finance cost	(76,000)	(22,000)
Other support costs	351,702	247,599
Trip expenditure	323,704	231,607
	<u>3,976,039</u>	<u>3,603,773</u>
	<u>12,546,627</u>	<u>11,641,497</u>

7 GOVERNANCE COSTS

	Year ended 31 Aug 2015 Total £	Year ended 31 Aug 2014 Total £
Legal & professional fees	239,961	52,309
Accountancy fees	11,687	13,043
Auditor's remuneration:		
Audit of financial statements	37,500	34,046
	<u>289,148</u>	<u>99,398</u>

Legal & professional fees have increased to £239,961 (2014: £52,309) due to additional costs for conversion of 4 Academies.

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

8 STAFF COSTS

	Year ended 31 Aug 2015 Total £	Year ended 31 Aug 2014 Total £
Staff costs during the period were:		
Wages and salaries	7,291,745	6,824,977
Social security costs	492,275	464,478
Pension costs	1,092,797	1,102,168
	<u>8,876,817</u>	<u>8,391,623</u>
Supply staff costs	225,908	283,078
Staff restructuring costs	20,729	-
	<u>9,123,454</u>	<u>8,674,701</u>

Included in staff restructuring costs are two non-statutory/non-contractual severance payments totalling £20,729 (2014: £Nil). Individually the payments were £10,729 and £10,000.

The average number of persons (including senior management team) employed by the Academy Trust during the period was as follows:

	Year ended 31 Aug 2015 Total No	Year ended 31 Aug 2014 Total No
Teachers	145	141
Educational support	88	79
Other	120	140
	<u>353</u>	<u>360</u>

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

	Year ended 31 Aug 2015 Total No	Year ended 31 Aug 2014 Total No
Teachers	129	128
Educational support	56	46
Other	68	71
	<u>253</u>	<u>245</u>

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

8 STAFF COSTS (*continued*)

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

	2015	2014
	No	No
£60,000 - £70,000	3	-
£70,000 - £80,000	2	2
£80,000 - £90,000	1	-
	<u> </u>	<u> </u>

The above employees participate in the Teachers' Pension Scheme. During the year ended 31 August 2015 pension contributions for these staff amounted to £49,497 (2014: £20,422).

9 CENTRAL SERVICES

The Bishop Wheeler Catholic Academy Trust has provided the following central services to its academies during the year:

- Human resources
- Financial services
- Legal services
- Educational support services
- Other as arising

The Bishop Wheeler Catholic Academy Trust charges for these services on the following basis:

- Fixed Fee

The actual amounts charged during the year were as follows (newley converted Academies were not charged in this financial year as conversion took place in July and August 2015):

	Year ended 31 Aug 2015
	Total £
Sacred Heart Catholic Primary School Ilkley, a Voluntary Academy	18,000
St Joseph's Catholic Primary School Pudsey, a Voluntary Academy	18,000
St Joseph's Catholic Primary School Otley, a Voluntary Academy	18,000
St Mary's Horsforth Catholic Voluntary Academy	18,000
St Mary's Menston, a Catholic Voluntary Academy	90,000
Ss Peter and Paul Catholic Primary School, a Voluntary Academy	18,000
St Mary's Catholic Primary School Knaresborough, a Voluntary Academy	-
St Joseph's Catholic Primary School Harrogate, a Voluntary Academy	-
Holy Name Catholic Voluntary Academy, Cookridge	-
St Stephen's Catholic Primary School, Skipton	-
	<u> </u>
	<u>180,000</u>

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

10 TRUSTEES' REMUNERATION AND EXPENSES

Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy Trust in respect of their role as trustees.

The value of the Accounting Officer's remuneration was £83,892 (2014: £71,795). The Accounting Officer is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the period amounted to £11,829 (2014: £10,211).

A Ashworth (principal and trustee) received remuneration of £58,095 (2014: £56,109) and is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £8,191 (2014: £7,911).

B Boswell (staff trustee) received remuneration of £25,194 (2014: £25,148). The staff trustee is accruing retirement benefits under the Local Government Pension Scheme and contributions paid in the year amounted to £4,005 (2014: £4,325).

P Hughes (principal and trustee) received remuneration of £77,942 (2014: £58,946). The staff trustee is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £10,990 (2014: £8,311).

A Lubomski (principal and trustee) received remuneration of £75,545 (2014: £59,677). The staff trustee is not accruing retirement benefits under the Teachers' Pension Scheme.

P Monaghan (staff trustee) received remuneration of £14,759 (2014: £11,744). The staff trustee is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £2,081 (2014: £1,656).

During the year ended 31 August 2015, travel and subsistence expenses totalling £1,304 (2014: £596) were reimbursed to six trustees.

Related party transactions involving the trustees are set out in note 25.

11 TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £6,280 (2014: £6,280).

The cost of this insurance is included in the total insurance cost.

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

12 FIXED ASSETS

	Land and Buildings £	ICT Equipment £	Fixtures, Fittings & Equipment £	Total £
Cost:				
1 September 2014	10,026,046	19,515	19,100	10,064,661
Transfer on conversion	3,280,000	-	-	3,280,000
	<u>13,306,046</u>	<u>19,515</u>	<u>19,100</u>	<u>13,344,661</u>
31 August 2015	<u>13,306,046</u>	<u>19,515</u>	<u>19,100</u>	<u>13,344,661</u>
Depreciation:				
1 September 2014	559,004	3,172	2,763	564,939
Charged in the year	391,321	4,878	3,820	400,019
	<u>950,325</u>	<u>8,050</u>	<u>6,583</u>	<u>964,958</u>
31 August 2015	<u>950,325</u>	<u>8,050</u>	<u>6,583</u>	<u>964,958</u>
Net book value:				
31 August 2014	<u>9,467,042</u>	<u>16,343</u>	<u>16,337</u>	<u>9,499,722</u>
Net book value:				
31 August 2015	<u>12,355,721</u>	<u>11,465</u>	<u>12,517</u>	<u>12,379,703</u>

Where the land upon which the schools are operated is owned by the Diocese of Leeds the occupancy is subject to a licence agreement. The licence agreement makes available the land under a perpetual licence of £nil cost which can be terminated upon the provision of two years notice. The buildings which are owned by the Diocese of Leeds have been made available to use under the terms of supplemental lease agreements. The land and buildings which are owned by the Ampleforth Abbey Trust have been made available to use on a long term leasehold basis for a term of 125 years. The substance of these arrangements is such that The Bishop Wheeler Catholic Academy Trust are able to obtain future economic benefits from use of the assets. The land and buildings are therefore recognised in the balance sheet at fair value at the time of conversion and depreciated over their useful lives.

13 DEBTORS

	2015 £	2014 £
Trade debtors	28,404	2,035
Other debtors	352,243	-
VAT recoverable	101,113	52,894
Prepayments and accrued income	209,445	144,582
	<u>691,205</u>	<u>199,511</u>

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

14	CREDITORS	2015 £	2014 £
	Trade creditors	442,185	213,269
	Other creditors	106,949	8,425
	Accruals and deferred income	299,509	143,784
		<u>848,643</u>	<u>365,478</u>
		<u><u>848,643</u></u>	<u><u>365,478</u></u>
	 DEFERRED INCOME	 2015 £	 2014 £
	Deferred income at 1 September 2014	97,140	-
	Resources deferred in the year	100,185	97,140
	Amounts released from previous years	(97,140)	-
		<u>100,185</u>	<u>97,140</u>
	Deferred income at 31 August 2015	<u><u>100,185</u></u>	<u><u>97,140</u></u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for Key Stage 1 Universal Free School Meals.

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

15 FUNDS

	At 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	At 31 August 2015 £
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG) (excluding pension reserve)	-	10,001,711	(10,001,711)	-	-
Other DfE/EFA grants	140,655	1,371,093	(1,104,904)	-	406,844
Other income	102,337	646,407	(394,436)	-	354,308
Pension reserve	(1,357,000)	-	(1,013,000)	25,000	(2,345,000)
	<u>(1,114,008)</u>	<u>12,019,211</u>	<u>(12,514,051)</u>	<u>25,000</u>	<u>(1,583,848)</u>
RESTRICTED FIXED ASSET FUNDS					
DfE / EFA capital grants	-	679,480	-	-	679,480
Capital expenditure from GAG and Other Income	76,750	-	(12,912)	-	63,838
Assets transferred on conversion	9,422,972	3,280,000	(387,107)	-	12,315,865
	<u>9,499,722</u>	<u>3,959,480</u>	<u>(400,019)</u>	<u>-</u>	<u>13,059,183</u>
TOTAL RESTRICTED FUNDS	<u>8,385,714</u>	<u>15,978,691</u>	<u>(12,914,070)</u>	<u>25,000</u>	<u>11,475,335</u>
UNRESTRICTED FUNDS					
Unrestricted funds	541,260	1,034,099	(953,764)	-	621,595
TOTAL UNRESTRICTED FUNDS	<u>541,260</u>	<u>1,034,099</u>	<u>(953,764)</u>	<u>-</u>	<u>621,595</u>
TOTAL FUNDS	<u>8,926,974</u>	<u>17,012,790</u>	<u>(13,867,834)</u>	<u>25,000</u>	<u>12,096,930</u>

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

Restricted general funds have been spent in line with the terms of the Master Funding Agreement. Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of The Bishop Wheeler Catholic Academy Trust.

The restricted pension fund is in deficit to the value of £2,345,000 as at 31 August 2015, which is in excess of the unrestricted funds. However this deficit has been inherited upon conversion to Academy status. The governors will continue to monitor this situation closely.

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

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

15 FUNDS (*continued*)

The funds attributable to each academy within the Academy Trust as at 31 August 2015 are as follows:

	Total £
Year ended 31 August 2015:	
St. Mary's Menston, a Catholic Voluntary Academy	215,073
St. Joseph's Catholic Primary School Otley, a Voluntary Academy	119,337
Ss Peter and Paul Catholic Primary School, a Voluntary Academy	104,708
Sacred Heart Catholic Primary School Ilkley, a Voluntary Academy	119,567
St. Mary's Horsforth Catholic Voluntary Academy	271,666
St. Joseph's Catholic Primary School Pudsey, a Voluntary Academy	264,407
St. Mary's Catholic Primary School Knaresborough, a Voluntary Academy	99,986
St. Joseph's Catholic Primary School Harrogate, a Voluntary Academy	182,168
Holy Name Catholic Voluntary Academy	48,397
St. Stephen's Catholic Primary School, a Voluntary Academy	56,195
Trust	(98,757)
Total before fixed assets and pension reserve	1,382,747
Restricted fixed asset fund	13,059,183
Pension reserve	(2,345,000)
Total	12,096,930

The split of balances by Academy reflects not only the surpluses and deficits for the year, but also the reallocation of centralised costs for earlier years from the Trust to the individual schools of £187,789 and a transfer of a misallocated school fund balance between St. Mary's Menston and Sacred Heart Ilkley of £268,773.

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

15 FUNDS (*continued*)

The deficit on the Trust funds represents costs paid centrally. During the period the Academies within the Academy Trust spent the following on teaching and support staff, other support staff, educational supplies and other costs:

Analysis of Academies by cost

	Teaching & Support Staff £	Other Support Staff £	Educational Supplies £	Other Costs (excluding depreciation) £	Total £
Trust	-	-	415	144,392	144,807
St. Mary's Menston, a Catholic Voluntary St. Joseph's Catholic Primary School Pudsey, a Voluntary Academy	4,365,511	834,588	96,456	1,350,730	6,647,285
St. Mary's Horsforth Catholic Voluntary Academy	616,519	253,953	20,376	226,941	1,117,789
Ss Peter and Paul Catholic Primary School, a Voluntary Academy	605,039	111,536	15,937	323,002	1,055,514
St. Joseph's Catholic Primary School Otley, a Voluntary Academy	516,400	104,411	14,332	247,249	882,392
Sacred Heart Catholic Primary School Ilkley, a Voluntary Academy	592,698	127,349	28,110	241,978	990,135
St. Mary's Catholic Primary School Knaresborough, a Voluntary Academy	592,983	119,821	11,983	539,766	1,264,553
St. Joseph's Catholic Primary School Harrogate, a Voluntary Academy	83,951	13,227	578	17,686	115,442
Holy Name Catholic Voluntary Academy	87,975	4,769	70	20,371	113,185
St. Stephen's Catholic Primary School, a Voluntary Academy	37,809	7,912	4,999	16,845	67,565
	37,885	9,118	48	9,097	56,148
	<u>7,536,770</u>	<u>1,586,684</u>	<u>193,304</u>	<u>3,138,057</u>	
Total					<u><u>12,454,815</u></u>

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

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2015 £	Total Funds 2014 £
Tangible fixed assets	-	-	12,379,703	12,379,703	9,499,722
Current assets	621,595	1,609,795	679,480	2,910,870	1,149,730
Current liabilities	-	(848,643)	-	(848,643)	(365,478)
Pension scheme liability	-	(2,345,000)	-	(2,345,000)	(1,357,000)
	<u>621,595</u>	<u>(1,583,848)</u>	<u>13,059,183</u>	<u>12,096,930</u>	<u>8,926,974</u>

17 FINANCIAL COMMITMENTS

OPERATING LEASES

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

	2015 £	2014 £
Other:		
Expiring within one year	29,878	1,445
Expiring within one to two years	22,897	28,433
Expiring within two and five years	23,327	37,977
	<u>76,102</u>	<u>67,855</u>

18 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Year ended 31 August 2015 £	Year ended 31 August 2014 £
Net income/(expenditure)	3,144,956	(185,941)
Investment income	(1,296)	-
Assets transferred on conversion (note 22)	(3,280,000)	-
Cash transferred on conversion (note 22)	(73,351)	-
Pension liability transferred on conversion (note 22)	1,021,000	-
Depreciation (note 12)	400,019	383,493
FRS 17 pension cost less contributions payable (note 24)	68,000	20,000
FRS 17 pension finance costs (note 24)	(76,000)	(22,000)
(Increase)/Decrease in debtors	(491,694)	85,375
Increase in creditors	483,165	43,398
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>1,194,799</u>	<u>324,325</u>

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

19 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	Year ended 31 August 2015 £	Year ended 31 August 2014 £
Purchase of tangible fixed assets	-	70,477
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	-	70,477

20 CASH TRANSFERRED ON CONVERSION TO AN ACADEMY TRUST

	Year ended 31 August 2015 £	Year ended 31 August 2014 £
Cash balance transferred on conversion	73,351	-

21 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2014 £	Cashflows £	At 31 August 2015 £
Cash at bank and in hand	950,219	1,269,446	2,219,665
	950,219	1,269,446	2,219,665

22 CONVERSION TO AN ACADEMY TRUST

In the period, St. Mary's Catholic Primary School Knaresborough, St. Joseph's Catholic Primary School Harrogate, Holy Name Catholic Primary School Cookridge and St. Stephens Catholic Primary School Skipton have converted to academy trust status under the Academies Act 2010. All the operations and some of the assets and liabilities were transferred to The Bishop Wheeler Catholic Academy Trust (a company limited by guarantee) from the Leeds Local Authority for £nil consideration. The buildings were also transferred to the Academy Trust from the Diocese of Leeds and from The Ampleforth Abbey Trust.

The transfer was accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding amount recognised as income or resources expended in the Statement of Financial Activities.

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

22 CONVERSION TO AN ACADEMY TRUST (*continued*)

	Unrestricted Fund £	Restricted General Fund £	Restricted Fixed Asset £	Total £
Tangible fixed assets: Land and buildings	-	-	3,280,000	3,280,000
School budget surplus	-	182,374	-	182,374
School fund assets	-	73,351	-	73,351
LPGS pension deficit	-	(1,021,000)	-	(1,021,000)
	<u>-</u>	<u>(765,275)</u>	<u>3,280,000</u>	<u>2,514,725</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 period 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.

24 PENSION AND SIMILAR OBLIGATIONS

The Academy Trust's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire Pension Fund and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the North Yorkshire Pension fund. All are defined benefit schemes.

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

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

Teachers' Pension Scheme

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension 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 January 2007, automatic for teachers in part-time employment following appointment of 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.

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

24 PENSION AND SIMILAR OBLIGATIONS (*continued*)

Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), 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 calculation report was published by the Department of Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge), currently 14.1%.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million.
- 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 process and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. Assumes the nominal rate of return is 5.06%.

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

Pension costs paid to TPS in the period amounted to £643,366 (2014: £654,922).

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

Under the definitions set out in financial Reporting Standard (FRS17) Retirement Benefits 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 for West Yorkshire Pension Fund is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £547,000 (2014: £550,000), of which employer's contributions totalled £405,000 and employees' contribution totalled £142,000. The agreed rates for future periods are 15.6% for employers and 5.5% - 8.5% for employees.

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

24 PENSION AND SIMILAR OBLIGATIONS (*continued*)

Principal actuarial assumptions (% per annum)

	2015	2014
Rate of increase in salaries	3.5	3.6
Rate of increase for pensions in payment	2.0	2.1
Rate of increase for deferred pensions	2.0	2.1
Discount rate	3.8	3.7
Inflation (CPI)	2.0	2.1

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

	2015 Years	2014 Years
Retiring today:		
Males	22.6	22.5
Females	25.5	25.4
Retiring in 20 years:		
Males	24.8	24.7
Females	27.8	27.7

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

	Expected return at 2015 (% pa)	Fair value at 2015 £'000	Expected return at 2014 (% pa)	Fair value at 2014 £'000
Equities	7.0	4,129.7	7.5	3,495.0
Property	6.2	244.9	6.8	139.8
Government bonds	2.5	565.9	2.9	466.0
Corporate bonds	3.2	250.3	3.3	233.0
Cash	1.0	81.6	1.1	186.4
Other	7.0	168.6	7.5	139.8
		<u>5,441.0</u>		<u>4,660.0</u>
TOTAL MARKET VALUE OF ASSETS				
Present value of scheme liabilities				
- Funded		(6,864)		(6,017)
		<u>(6,864)</u>		<u>(6,017)</u>
DEFICIT IN THE SCHEME		<u>(1,423)</u>		<u>(1,357)</u>

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

24 PENSION AND SIMILAR OBLIGATIONS (continued)

The Bishop Wheeler Catholic Academy Trust Academy employs a building block approach in determining the rate of return on fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the fund at 31 August 2015.

The actual return on scheme assets was £51,000 (2014: £391,000).

Amounts recognised in the statement of financial activities	Year ended 31 August 2015 £'000	Year ended 31 August 2014 £'000
Current service cost (net of employee contributions)	471	441
Total operating charge	<u>471</u>	<u>441</u>
 Analysis of pension finance costs		
Expected return on pension scheme assets	(314)	(271)
Interest on pension liabilities	233	249
Pension finance costs	<u>(81)</u>	<u>(22)</u>

The actuarial gains and losses for the current period are recognised in the SOFA. The cumulative amount of actuarial gains and losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is £(106,000) (2014: £(133,000)).

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

	Year ended 31 August 2015 £'000	Year ended 31 August 2014 £'000
At start of year	6,017	5,272
Current service cost	471	441
Interest cost	233	249
Employee contributions	142	129
Actuarial gain	(290)	(13)
Benefits paid	(115)	(61)
Net increase in liabilities from acquisitions	406	-
At 31 August	<u>6,864</u>	<u>6,017</u>

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

24 PENSION AND SIMILAR OBLIGATIONS (continued)

Movements in the fair value of Academy Trust's share of scheme assets:	Year ended 31 August 2015 £'000	Year ended 31 August 2014 £'000
At start of year	4,660	3,780
Expected return on assets	314	271
Actuarial (loss)/gain	(263)	120
Employer contributions	405	421
Employee contributions	142	129
Benefits paid	(115)	(61)
Net increase in assets from acquisitions	298	-
At 31 August	<u>5,441</u>	<u>4,660</u>

The estimated value of employer contributions for the period ended 31 August 2016 is £416,000.

Movement in deficit during period	Year ended 31 August 2015 £'000	Year ended 31 August 2014 £'000
At start of year	(1,357)	(1,492)
Transfer on conversion	(108)	-
Employer service charge	(66)	(20)
Net interest	81	22
Actuarial gain	27	133
At 31 August 2015	<u>(1,423)</u>	<u>(1,357)</u>

The available five-period history of experience adjustments is as follows:

	31 August 2015 £'000	31 August 2014 £'000	31 August 2013 £'000
Present value of defined benefit obligations	(6,864)	(6,017)	(5,272)
Fair value of share of scheme assets	<u>5,441</u>	<u>4,660</u>	<u>3,780</u>
Deficit in the scheme	<u>(1,423)</u>	<u>(1,357)</u>	<u>(1,492)</u>
Experience adjustments on share of scheme assets	(263)	120	(46)
Percentage of assets	-4.8%	2.6%	-1.2%
Experience adjustments on scheme liabilities:	-	(136)	-
Percentage of assets	-	-2.3%	-

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

24 PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme

The LGPS for North Yorkshire Pension Fund is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £20,000 (2014: £nil), of which employer's contributions totalled £16,000 and employees' contribution totalled £4,000. The agreed rates for future periods are 16.5% for employers and 5.5% - 8.5% for employees.

Principal actuarial assumptions (% per annum)

	2015
Rate of increase in salaries	3.6
Rate of increase for pensions in payment	2.1
Rate of increase for deferred pensions	2.1
Discount rate	3.8
Inflation (CPI)	2.0

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

	2015 Years
Retiring today:	
Males	23.2
Females	25.7
Retiring in 20 years:	
Males	25.4
Females	28.0

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

	Expected return at 2015 (% pa)	Fair value at 2015 £'000
Equities	7.0	11.9
Property	6.2	1.4
Government bonds	2.5	3.2
Corporate bonds	3.2	1.5
Cash	1.0	0.2
Other	7.0	1.8
		<hr/>
TOTAL MARKET VALUE OF ASSETS		20
Present value of scheme liabilities		
- Funded		(942)
		<hr/>
DEFICIT IN THE SCHEME		(922)
		<hr/> <hr/>

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

24 PENSION AND SIMILAR OBLIGATIONS (continued)

The Bishop Wheeler Catholic Academy Trust Academy employs a building block approach in determining the rate of return on fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the fund at 31 August 2015. The actual return on scheme assets was £(1,000).

Amounts recognised in the statement of financial activities	Year ended 31 August 2015 £'000
Current service cost (net of employee contributions)	18
Total operating charge	<u>18</u>
Analysis of pension finance costs	
Expected return on pension scheme assets	-
Interest on pension liabilities	5
Pension finance costs	<u>5</u>

The actuarial gains and losses for the current period are recognised in the SOFA. The cumulative amount of actuarial gains and losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is £(2,000).

Movements in the present value of defined benefit obligations were as follows:	Year ended 31 August 2015 £'000
At start of period/On conversion	502
Current service cost	18
Interest cost	5
Employee contributions	4
Actuarial loss	1
Benefits paid	-
Net increase in liabilities from acquisitions	<u>412</u>
At 31 August	<u>942</u>

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

24 PENSION AND SIMILAR OBLIGATIONS (continued)

Movements in the fair value of Academy Trust's share of scheme assets:	Year ended 31 August 2015 £'000
At start of period/On conversion	-
Expected return on assets	-
Actuarial (loss)	(1)
Employer contributions	16
Employee contributions	4
Benefits paid	-
Net increase in assets from acquisitions	1
	<hr/>
At 31 August	20
	<hr/>

The estimated value of employer contributions for the period ended 31 August 2016 is £120,000.

Movement in deficit during period	Year ended 31 August 2015 £'000
At start of period/On conversion	(502)
Employer service charge	(2)
Net interest	(5)
Net increase on acquisitions	(411)
Actuarial loss	(2)
	<hr/>
At 31 August 2015	(922)
	<hr/>

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

24 PENSION AND SIMILAR OBLIGATIONS (continued)

The available five-period history of experience adjustments is as follows:

	31 August 2015 £'000
Present value of defined benefit obligations	(942)
Fair value of share of scheme assets	20
Deficit in the scheme	<u>(922)</u>
Experience adjustments on share of scheme assets	-
Percentage of assets	-0.0%
Experience adjustments on scheme liabilities:	-
Percentage of assets	-

25 RELATED PARTIES

Owing to the nature of the Academy Trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

Mr K Bentham is an Academy parent director and also managing director of Dataphiles. There were purchases of £30 (2014: £961) from Dataphiles during the year and £nil (2014: £nil) was included in creditors at 31 August 2015.

Mr J McDonnell is an Academy foundation director and also managing director of Castle Construction. There were purchases of £9,985 (2014: £nil) from Castle Construction during the year and £nil (2014: £nil) was included in creditors at 31 August 2015.

The Diocese of Leeds was repaid £nil (2014: £3,000) during the year for repayment of past capital loans. There were purchases of £50,317 (2014: £34,894) from The Diocese of Leeds during the year, at the 31 August 2015 £540 (2014: £8,470) was included in debtors and £nil (2014: £nil) was included in creditors. The Diocese of Leeds has the right to appoint a member or Trustee of the Academy Trust under the Articles of Association. The purchases made relate to education support and property services.

26 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year it received £12,253 (2014: £11,803) and disbursed £17,203 (2014: £6,800), with £53 retained for administration. Therefore there is £nil (2014: £5,003) repayable by the Academy Trust at the 31 August 2015 included in other creditors.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BISHOP WHEELER CATHOLIC ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 28 August 2015 and further to the requirements of the Education Funding Agency ('EFA') as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Bishop Wheeler Catholic Academy Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Bishop Wheeler Catholic Academy Trust and the EFA in accordance with the terms of our engagement letter dated 28 August 2015. Our work has been undertaken so that we might state to The Bishop Wheeler Catholic Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Bishop Wheeler Catholic Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Bishop Wheeler Catholic Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Bishop Wheeler Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 28 February 2013 and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
BISHOP WHEELER CATHOLIC ACADEMY TRUST AND THE EDUCATION 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 period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP)
Chartered Accountants
2 Whitehall Quay
Leeds
LS1 4HG

Date
