

Company Registration No. 08440868 (England and Wales)

**THE WYTHENSHAW CATHOLIC ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

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# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Governors

M Flanagan \*  
L Kelly \*  
M Sweeney \*  
D Hemington ~  
D Roberts (Resigned 31 January 2018)  
A Moore #  
M Fox \*  
M Higham \*  
N Johnson  
S Marciniak #~  
P Adams #~  
C Fox ~ (Resigned 31 August 2018)  
A Hren ~  
J Doyle (Resigned 31 August 2018)  
M Groarke (Resigned 31 December 2017)  
B Hayward  
S H Humphries (Appointed 1 September 2018)

\* members of the finance and general purposes committee

# members of the audit committee

~ members of the standards committee

### Members

Rev M Davies  
Rev D Roberts  
D Cunningham  
N Johnson (Chair)

### Senior management team

- Head Teacher	A Hren
- Head Teacher	D Hemington
- Head Teacher	L Kelly
- Head Teacher	C Fox (Resigned 31 August 2018)

### Company secretary

Mike Fowler (Appointed 19 June 2018)  
Ann Silcock (Resigned 28 February 2018)

### Company registration number

08440868 (England and Wales)

### Principal address

St. Paul's Catholic High School  
Firbank Rd  
Wythenshawe  
Manchester  
M23 2YS

### Registered office

St. Paul's Catholic High School  
Firbank Rd  
Wythenshawe  
Manchester  
M23 2YS

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Independent auditor**

Wylie & Bisset LLP  
168 Bath Street  
Glasgow  
G2 4TP

**Bankers**

Lloyds Bank  
PO Box 1000  
Andover  
BX1 1LT

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Governors present their annual report with the accounts and independent auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustee's report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2017-18 issued by the ESFA.

### **Structure, Governance and Management**

#### Constitution

The Trust is a company limited by guarantee and an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy trust.

The Trust was incorporated on 12th March 2013 and commenced its activities on transfer of St Paul's Catholic High School, St Anthony's Catholic Primary school and SS John Fisher and Thomas More Catholic Primary school from the local authority on 1 April 2013. St Elizabeth's Catholic Primary school transferred to the Trust on 1 April 2014.

The Governors are the trustees of Wythenshawe Catholic Academy trust and the directors for the purposes of company law. Details of the Governors who served during the year are listed on page 1.

The Trust includes a Chief Executive Officer (appointed in June 2018), who will become the Accounting Officer on 1 September 2018 (for the period to 31 August 2018 the Accounting Officer is the Head Teacher of St Elizabeth's Catholic Primary School), and a Strategic Finance Officer, both of whom are paid employees of the Trust. The Strategic Finance Officer is not a Director and both are not members.

#### Members' Liability

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

#### Governors Indemnity

The Trust has purchased indemnity insurance to protect the Governors and Officers from claims arising in connection with the Trust's business.

#### Method of Recruitment and Appointment or Election of Governors

All Directors shall upon their appointment or election give a written undertaking to the Trustees and the Diocesan Bishop to uphold the Objects of the Academy trust.

Subject to Articles 48-49 and 63, the Company shall have the following Directors:

- 1 Director appointed under Article 50;
- A minimum of 5 Foundation Directors;
- Any Academy Directors appointed under Article 51 or Article 52;
- The Chief Executive Officer under Article 57;
- Any Head Teachers appointed under Article 57A and 57B;
- A minimum of 2 Parent Directors appointed under Article 53 to 56;
- 1 Staff Director appointed under Article 56A; and
- Up to 3 Co-opted Directors appointed under Article 58.

#### Policies and procedures adopted for the induction and training of governors

Training is provided for new governors according to their existing skills and experience and tailored specifically to the individual. Where necessary training is provided on charity, educational, legal and financial matters.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

The Chair of Governors and Senior Leadership Team will undertake training and induction of new governors and access specialist and/or independent trainers where deemed necessary. Governors are provided with copies, or electronic access to, policies, procedures, minutes, accounts, budgets, plans and other documents considered relevant for them to undertake their role effectively.

### Trade Union Facilities Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

#### Relevant Trade Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1.0

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1%-50%	0
51%-99%	1
100%	0

#### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£39,350
Provide the total pay bill	£8,250,995
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.4%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	80%
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### Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust operations and the composition of the Board being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee or Director has an interest. All transactions involving such organisations are concluded in accordance with ESFA regulations, the Academy Trust Financial Handbook and normal procurement procedures.

The Trust maintains close links with other schools in the area, and not just those that may join the Trust in the future. The Trust also works closely with the Diocese of Shrewsbury especially in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Diocesan Bishop.

The Trust has no subsidiary companies.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Mission Statement

United in faith, we are the Wythenshawe Catholic Academy Trust.

We come together as a Catholic family to enlighten minds, enrich souls and become the best people that God wants us to be; through work, service, prayer and fun.

***Journeying together with Jesus Christ, we learn to love and love to learn.***

### Ethos and Values

Founded on the love of Christ and recognising the inestimable worth of each individual, we exist to foster, with care and compassion, personal, spiritual and academic growth, extending into the community and beyond.

Spiritual development is at the core of all we do. We aim to teach and foster the Gospel values of love of God and our neighbour, through our Curriculum and our Chaplaincy events.

The Trust has excellent support from the Clergy in the local area and continues to develop close links with its parishes. Pupils are encouraged to participate fully in Parish activities.

### **Objectives and Activities**

#### Objects and aims and Activities

The Trust's object is to advance for the public benefit education in the United Kingdom but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing secondary and primary schools offering a broad and balanced curriculum.

The Trust's aims are to:

- Teach and foster a Christian perspective in all that it does;
- Provide teaching of the highest calibre;
- Promote excellence in all areas;
- Develop the ability, talents and character of all pupils, enabling them to make their own unique contribution to school life;
- Conduct its business in accordance with the highest standards of integrity, probity and openness; and
- Provide value for money for the funds it expends.

The Trust's key activities are to:

- Strengthen the partnership between the schools in the Trust in order to improve the standards, the quality of teaching and the quality of the curriculum; and
- Ensure that all schools in the Trust operate as efficiently as possible in order to provide a catholic education for all pupils which represents good value for money.

### Public Benefit

The Governors have confirmed their compliance with their duty to have regard to the guidance on public benefit issued by the Charity Commission and recognise the seven principles of public life extend to them.

### Organisational Structure

The Executive Committee (The Board of Trustees) sets the strategic direction of the Trust and determines its mission and values, ensuring the values and vision of the Diocese underpins the way the Trust works. The Committee's approves a scheme of delegation which delegates the day-to-day running of each school to its Local Governing Body and senior management team. The achievement of educational outcomes is monitored by the Standards Committee.

The Executive Committee appoints a Finance and Resources Committee to oversee the Trust's financial affairs and hold each LGB to account. The Committee also appoints an Audit Committee to scrutinise the adequacy and effectiveness of the Trust's governance, risk management, internal control and value for money systems.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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The Trust's Strategic Leadership Team comprises the Chief Executive Officer, Strategic Finance Officer and Head Teachers. The authorities of the SLT and each school's senior management team are clearly set out in the Scheme of Delegation and Financial Handbook reviewed annually by the Executive Team.

#### Risk Management

The Trust has established a Risk Management Framework to ensure it identifies and manages risks appropriately. LGBs and individual school's senior management team are responsible for identifying and mitigating, as far as possible, the day-to-day operational risks encountered by each school. Where appropriate these risks are escalated to the Trust's Executive Committee.

The Executive Committee wishes to maintain a fairly low risk appetite and uses the Risk Management Framework to evaluate and monitor the probability and impact of each risk. The Strategic Finance Officer maintains a Strategic Risk Register and reports this to the Audit and Executive Committees.

The principal risks and uncertainties facing the Trust are: (a) declining pupil numbers; (b) reductions in grant income from principal funders (EFSA, LA); (c) increasing cost pressures; (d) recruitment and retention of suitably qualified staff; and (e) resilience of core IT systems.

#### Arrangements for setting pay and remuneration of key management personnel

The Executive Committee has approved a Pay Policy which gives each LGB discretion to determine the remuneration levels for senior posts in its school. This reflects the individual circumstances and challenges facing each school. All teaching posts are graded and paid in accordance with the national School Teachers' Pay and Conditions Document. Except where TUPE applies, support staff are subject to a pay-scale approved by the Finance and Resources Committee which is uniform across the Trust.

Except where the Trustee is an employee of the Trust, Trustees receive no remuneration for their role.

#### Equal Opportunities

Trustees recognise that equal opportunities should be an integral part of good practice in the workplace. The Trust aims to establish equal opportunity in all areas of its activities including maintaining a working environment in which the contribution and needs of all people are fully valued. This includes there are appropriate adjustments for people with a physical disability.

#### Key Performance Indicators

The Trust monitors its Key Performance Indicators at SLT, Finance and Resources Committee and the Standards Committee. These include the standard Financial Performance measures reported in the Management Accounts and those relating to staffing and Pupil/Teacher ratio; and Educational Performance Indicators: (a) Student attainment; (b) progress; (c) teaching quality; and (d) statistics on behaviour, attendance and exclusions.

The Trust will further develop a Balanced Scorecard approach to monitoring KPIs in 2018-19. This will entail developing a standard suite of management information which will help staff, managers and Trustees focus on the key issues in a timely, consistent manner.

#### Financial Review

The majority (95%) of the Trust's income is obtained from the ESFA and Manchester City Council in the form of recurrent grants, the use of which is restricted to particular purposes. During the year ended 31 August 2018 the Trust received income of £12,168,121 (2017: £12,377,392) in respect of ESFA and other Government funding, £194,024 (2017: £386,357) in the form of ESFA capital grants, and £433,696 (2017: £318,480) other income giving a total of £12,441,242 (2017: £13,082,229) for the year. Total expenditure for the year amounted to £12,743,129 (2017: £13,325,455).

As at 31 August 2018 the net book value of fixed assets was £9,711,020 (2017: £9,380,767). The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the asset concerned.



# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### Investment Policy and Powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

#### Going Concern

Following their scrutiny the Board of Governors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board continues to adopt the going concern basis in preparing the Accounts and Annual Return. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### Reserves Policy

The Trust's policy is to maintain a prudent level of resources designed to meet the long term plan and any unforeseen contingencies subject to the levels permitted by the DfE. The Governors review the reserves policy annually. This review will consider the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Board have decided to take a cautious and low risk approach in its forecasting of income and expenditure.

At 31 August 2018 the Trust held fund balances of £9,541,313 (2017: £7,112,714) comprising £1,024,250 (2017: £245,970) restricted general fund, £9,759,887 (2017: £9,642,363) of Fixed Asset Funds, a Pensions Reserve Deficit of £2,108,000 (2017: £3,660,000) and £865,176 (2017: £884,381) of Unrestricted General Funds.

Fund Balances held by each Academy at 31 August 2018 were:

Academy	Pension Reserve	Fixed Asset Fund	Fund Balances	Total
St Paul's	(591,000)	5,495,947	277,740	5,182,687
St Anthony's	(706,000)	1,619,969	1,209,143	2,123,112
St Elizabeth's	(211,000)	1,099,578	249,018	1,137,596
St John and Thomas More	(600,000)	1,544,394	84,275	1,028,669
Trust Central	-	-	69,250	69,250
Trust Total	(2,108,000)	9,759,887	1,889,426	9,541,313

#### **Plans for future periods**

During 2017-18 the Trust developed an Improvement Plan as part of its emerging Strategy for the future. It reflects the Board's agreed priorities and provides a starting point for the arrival of the new CEO and SFO. Key aspects of the plan are provided below with details of what's been achieved so far and what still needs to be done. The future plan is therefore summarised into the following key areas:-

##### **1. Achieve and maintain financial sustainability**

- We will maintain a rolling three year financial strategy ensuring each Academy targets a 1% operating surplus in each year.
- We will invest our reserves strategically and collaboratively in order to improve standards and attract pupils to our schools.
- We will implement a new financial management and reporting system in 2018
- We will aim to diversify our income stream to be less dependent on Government grant
- We will aim to grow our Trust if makes economical sense to do so

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 2. Achieve and maintain total compliance with regulation

- We will implement sound systems of internal control to ensure we are compliant with regulation and best practice guidance
- We will commission an internal audit function to supplement our in-house capacity provide an assurance to the Board

#### 3. Embed the Catholic ethos in all that the Trust and its Academies do

- We will review the Trust's mission
- We will invest in Trust-wide chaplaincy
- We will strengthen links between the parishes and the schools

#### 4. Maximise educational outcomes for our pupils

- We will focus our resources where they have the greatest impact and adopt an integrated curriculum and financial planning model
- We will invest in new technology in the classroom
- We will identify areas of strengths and areas of development in each school and ensure that expertise from within the Trust is shared across the schools to raise achievement
- We will explore strengthening transition arrangements between the primary schools and secondary schools to ensure that transition between Key Stages is seamless

#### 5. Develop our leaders

- We will improve communication across our schools and ensure staff and leaders are fully engaged with our strategy
- We will identify those with leadership potential and offer development opportunities from within the Trust to build future capacity
- We will develop our capacity for school to school support to develop leaders and ensure we remain outward facing

### **The Wythenshawe Catholic Academy Trust Strategic Report**

The Standards Committee approved 5 strategic objectives for 2017-18 which form the Trust Improvement Plan. Each Academy then delivers its local improvement Plan to focus on their individual circumstances and contribute to the strategic goals of the Trust.

#### **Objective 1**

To enhance the religious education, spiritual life and faith development of our pupils, staff and parents.

*What we have achieved:*

- There is a shared mission statement that is agreed and adopted by all staff and governors;
- We have appointed a Chaplain to work across the Trust to support the development of liturgy and collective worship across all schools and parishes;
- We have continued to work collaboratively across the Trust and Catholic cluster schools and parishes through termly network meetings; and
- We have provided opportunities for pupils to grow in their faith through participation in pupil leadership (eg mini-vinnies, GIFT Team and Faith Council).

*What we will still need to do in 2018-19:*

- We will develop a planned programme of liturgical celebrations; and
- We will continue to develop pupil leaders in faith across all schools.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### Objective 2

To implement a high quality learning journey from the Wythenshawe Catholic cluster primary schools to St Paul's which includes an effective transition programme.

*What we have achieved:*

- There have been regular visits from nearby primary schools to St Pauls from years 4 and 5 across a range of subjects;
- St Pauls is actively promoted in the Trust primary schools and wider Wythenshawe community through newsletters and noticeboards, assemblies, parents evenings and open days; and
  - We have enriched the primary schools curriculum through providing a range of projects involving collaboration between staff from St Pauls and the Trust primaries (eg Reading Buddies, Sports, Arts; such as the Children's Shakespeare Festival, Performing Arts and Technology).

*What we will still need to do in 2018-19:*

- We will continue to promote St Pauls and arrange visits from pupils in nearby primaries so that there is an increase in Year 5 pupils who choose to come to St Pauls; and
- We will continue to collaborate between St Pauls and the Trust Primaries to enrich the curriculum, and provide personal and professional development for staff and pupils.

#### Objective 3

To continue to improve the consistency of curriculum provision across the primary and secondary schools particularly between KS2 and KS3

*What we have achieved:*

- We have provided an external moderation process across all schools in reading, writing and maths;
- We have encouraged and enabled literacy and numeracy co-ordinators to share good practice across KS2 and KS3 so that staff are using a consistent approach to assessment in reading, writing and maths;
- Teacher assessments are validated and judged accurate as evidenced through reports by consultants, QAPs, Local Authority moderators and Ofsted inspectors;
- We have revised and improved curriculum planning for Y7 and Y8; and
- We have improved outcomes for KS2 and KS4 by increasing teacher's confidence in teaching AT1 Investigative Science across the Trust through half-termly Science Leaders Network meetings.

*What we will still need to do in 2018-19:*

- We will ensure all the Trust primary schools achieve the Primary Science Quality Mark (PSQM);
- We will ensure the Trust's English and Maths Leads develop an effective programme of transition between Y6 and Y7 so that all pupils continue to make at least good progress; and
- We will target a reduction in the attainment gap between disadvantaged pupils and others across Y6 and Y7 cohorts.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Objective 4

To further develop the leadership and management structures of the Trust so that the overall effectiveness of all the schools improves

*What we have achieved:*

- The Trust's first ever Chief Executive Officer has been appointed to drive forward its vision, improve standards and hold schools to account;
- The new Strategic Finance Officer took up post in June 2018, and
- The Trusts Financial Procedures have been updated to ensure resources are used effectively and best value is achieved.

*What we will still need to do in 2018-19:*

- The priorities for the new Chief Executive and Strategic Finance Officer will be to ensure the Trust meets its statutory obligations and improves its medium term financial scenario in the light of increasing costs and reduce Government funding;
- We will ensure termly quality assurance visits take place across the Trust and that the subsequent reports are received and contribute to a robust self-evaluation so that all schools will be judged 'good' or better;
- We will ensure all LGBs are well supported and Trustees receive relevant training to be able to fulfil their duties effectively. This will be delivered internally, through the local authority and Diocese;
- We will provide a range of opportunities for training and to share good practice between leaders at all levels in the Trust. This will include Trust and SLT meetings, CPD for middle leaders, SENDCo Network, Safeguarding Network, Finance & Business Manager Network and Primary Science; and
- Leadership. The Target will be Leadership and Management in all schools is rated 'good' or better in all schools.

### Objective 5

To ensure that all schools within the Trust are effectively staffed and resourced in order to bring about school improvement

*What we have achieved:*

- We have created capacity for strategic HR advice from St Anthony's that can be accessed by any school, supplemented by an SLA with an external adviser;
- We have reviewed and updated a suite of HR policies and procedures that can be accessed by all staff who need them; and
- We have implemented a policy that Exit interviews are conducted for all staff leaving the Trust so that the LGB and Board have a clearer understanding of staffing issues being faced in each of the schools.

*What we will still need to do in 2018-19:*

- We will review the HR policy and procedures on an annual basis;
- We will review the effectiveness of the HR function to see if it provides good value;
- We will implement an Apprentice Levy Strategy to ensure the resource available to the Trust is spent appropriately and addresses the priorities of the Trust;
- We will conduct a Workforce Profile Analysis and develop an action plan to address any anomalies that may emerge; and
- We will conduct a survey of the workforce to establish a baseline for 'employer/provider of choice' and target an improvement in the assessment year-on-year.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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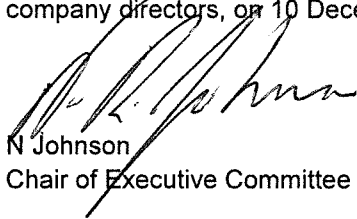
### Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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.

A resolution proposing that Wylie & Bisset LLP be reappointed as auditor of the charitable company will be put to the members.

The Governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 10 December 2018 and signed on its behalf by:



N Johnson  
Chair of Executive Committee

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that The Wythenshawe 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.

The board of governors has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Wythenshawe Catholic Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 4 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
M Flanagan	3	4
L Kelly	2	4
M Sweeney	2	4
D Hemington ~	4	4
D Roberts (Resigned 31 January 2018)	0	2
A Moore	2	4
M Fox	2	4
M Higham	2	4
N Johnson	4	4
S Marciniak #~	4	4
P Adams #~	3	4
C Fox ~ (Resigned 31 August 2018)	3	4
A Hren ~	4	4
J Doyle (Resigned 31 August 2018)	3	4
M Groarke (Resigned 31 December 2017)	1	2
B Hayward	2	4
S H Humphries (Appointed 1 September 2018)	0	0

The audit committee is a sub-committee of the main board of governors. Its duties are to review and challenge the Trust's financial reporting, internal controls and risk management systems, to monitor compliance, whistleblowing, fraud, and to appoint and liaise with the external auditor. The Committee met 4 times during the year ended 31 August 2018.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Review of value for money**

The accounting officer of The Wythenshawe Catholic Academy Trust has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands the value for money refers to the educational and wider societal outcomes achieved in return for 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 appropriate.

The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Extending the comprehensive insurance cover with Zurich;
- A social worker, two chaplains, Strategic Resource Officer, and Strategic Finance Officer are employed by the Trust to work across all the schools in the Trust. However all these posts have been vacant at times during the year;
- Restructuring Central Services to accommodate the Chief Executive post from 1 September 2018; and
- Developing relationships with the local business community for pro-bono support. This has led to (a) a review of our CCTV, Broadband, and data storage as part of the 'Technology Project', (b) a feasibility study in July to install 'smart lighting' in schools to reduce energy usage and deliver savings, (c) a proposal to bring fire extinguisher maintenance in-house.

Given the absence of the Strategic Finance Officer for a significant part of the year progress in delivering best value reviews was delayed. The current Strategic Finance Officer took up post on 4th June 2018 and has set out the following programme:

- Embedding a robust system of internal/external reporting to meet Governor's and statutory reporting requirements in a consistent, timely and efficient manner;
- Update the Trust's Financial Handbook, Scheme of Delegation and assurance framework to ensure internal financial controls are effective and complied with;
- Update financial policies to promote best value (including; Use of Charge Card, Community Lettings, Anti-fraud and Corruption);
- Move from payment by cheque to BACS;
- Move from local server to cloud based solutions;
- Procurement reviews of: (a) IT Support; (b) Catering; (c) Cleaning; (d) Educational Resources; (e) Stationery; (f) Energy; (g) insurance; and (h) Financial Accounting system; and
- A series of financial audits to ensure VAT is properly accounted for and recovered.

### **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 system of internal control has been in place in The Wythenshawe Catholic Academy Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **Capacity to handle risk**

The board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of Governors.

### **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 governors;
- Regular reviews by the Finance and Resources Committee and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The board of governors has considered the need for a specific internal audit function and in 2016-17 appointed EFC Ltd to review internal controls. This was followed up by a Review of Core Financial Systems commissioned from Manchester City Council.

The Internal Auditors role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out included:

- Payroll systems;
- Purchase systems;
- Procurement systems;
- Control accounts/bank reconciliation;
- Fixed asset register;
- Income processes;
- Budget planning;
- Budget monitoring and reporting procedures; and
- Committee minutes procedures.

The Internal Audit concluded that issues brought to the Trust's attention by EFC Ltd had largely been addressed but made some recommendations for further improvement. Due to the reduced capacity in the Finance and Business Support Team in 2017-18 implementing some of these improvements was delayed. Following the appointment of the new Strategic Finance Officer in June 2018 these recommendations and management actions were reviewed as a priority and tested in each Academy by the Strategic Finance Officer and his report and detailed action plan was considered and endorsed by the Audit Committee on 25th June 2018. The major control and compliance issues identified were:

- Out of date Financial Handbook;
- Insufficient segregation of duties;
- Examples of non-purchase order invoices; and
- Lack of evidence of sufficient management oversight of key financial risks.



# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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In response to these findings the Strategic Finance Officer has updated the Trust's Financial Handbook with strengthened internal controls and refreshed the Risk Management Policy and Procedure and Strategic Risk Register. These will be considered by the Executive Committee in October 2018. The Committee will also make a decision on the appointment of an Internal Auditor for 2018-19.

### **Review of effectiveness**

As Accounting Officer the Head Teacher of St Elizabeth's has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

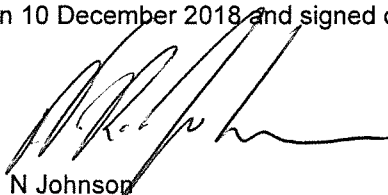
- The work of the Strategic Finance Officer;
- The work of the Internal Auditor;
- The work of the External Auditor;
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework; and
- The work of the interim Management Board of one of the academies within the Trust.

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

Approved by order of the board of governors on 10 December 2018 and signed on its behalf by:



L Kelly  
Accounting Officer



N Johnson  
Chair of Executive Committee

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

***FOR THE YEAR ENDED 31 AUGUST 2018***

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As accounting officer of The Wythenshawe Catholic Academy Trust I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust's board of governors 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 2017.

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



L Kelly  
**Accounting Officer**

10 December 2018

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Governors (who act as trustees for The Wythenshawe Catholic Academy Trust and are also the directors of The Wythenshawe Catholic Academy Trust for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare accounts for each financial year. Under company law the Governors must not approve the accounts 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 accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 accounts 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 Governors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of governors on 10 December 2018 and signed on its behalf by:



N Johnson

Chair of Executive Committee

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WYTHENSHAW CATHOLIC ACADEMY TRUST

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### Opinion

We have audited the accounts of The Wythenshawe Catholic Academy Trust for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 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 requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Governors are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WYTHENSHAW CATHOLIC ACADEMY TRUST (CONTINUED)

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### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report, including the incorporated strategic report.

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

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

### Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

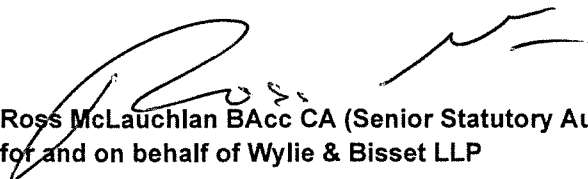
A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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. 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 auditors' 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WYTHENSHAW CATHOLIC ACADEMY TRUST (CONTINUED)

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Ross McLauchlan BAcc CA (Senior Statutory Auditor)  
for and on behalf of Wylie & Bisset LLP

Chartered Accountants  
Statutory Auditor

Dated: 10 December 2018

168 Bath Street  
Glasgow  
G2 4TP

# THE WYTHENSHAWE CATHOLIC ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WYTHENSHAWE CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

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In accordance with the terms of our engagement letter dated 01 November 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Wythenshawe Catholic Academy Trust during the period 1 September 2017 to 31 August 2018 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 Wythenshawe Catholic Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Wythenshawe Catholic Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Wythenshawe Catholic Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Wythenshawe Catholic Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Wythenshawe Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 26th March 2013 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WYTHENSHAW CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

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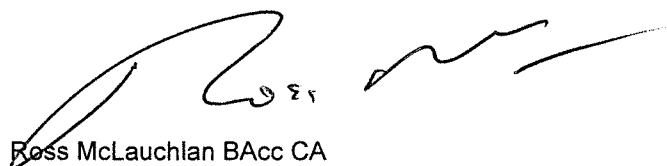
The work undertaken to draw to our conclusion includes:

- direct consideration and corroboration of evidence used to inform the accounting officer's statements;
- procedures to assess compliance with the funding agreement and Academies Financial Handbook from those already performed as part of the audit;
- consideration of whether expenditure outside of the academies delegated authorities has received departmental approval;
- evaluation and assessment of the operating effectiveness of the general control environment and operational level which are intended to reduce the risk of irregularity;
- assessment of adequacy of policies and procedures to ensure compliance with the framework of authorities;
- consideration of whether the absence of a control represents a breach of authorities;
- review of accounts or transactions susceptible to a greater risk of impropriety such as credit cards and cash accounts.

This list is not exhaustive and we performed additional procedures designed to provide us with additional appropriate evidence to express a conclusion on regularity consistent with the requirements of Part 9 of the Academies Accounts Direction 2017 to 2018.

### 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 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Ross McLauchlan BAcc CA  
**Reporting Accountant**  
Wylie & Bisset LLP

Dated: 10 December 2018



# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £	Total 2017 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	13,596	-	-	13,596	6,273
Charitable activities:						
- Funding for educational operations	5	109,750	12,044,775	194,024	12,348,549	12,757,476
Other trading activities	3	433,484	-	-	433,484	318,212
Investments	4	212	-	-	212	268
<b>Total income and endowments</b>		<u>557,042</u>	<u>12,044,775</u>	<u>194,024</u>	<u>12,795,841</u>	<u>13,082,229</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	576,247	11,788,495	76,500	12,441,242	13,325,455
<b>Total expenditure</b>		<u>576,247</u>	<u>11,788,495</u>	<u>76,500</u>	<u>12,441,242</u>	<u>13,325,455</u>
<b>Net (expenditure)/income</b>		(19,205)	256,280	117,524	354,599	(243,226)
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	16	-	2,074,000	-	2,074,000	1,039,000
<b>Net movement in funds</b>		(19,205)	2,330,280	117,524	2,428,599	795,774
<b>Reconciliation of funds</b>						
Total funds brought forward		884,381	(3,414,030)	9,642,363	7,112,714	6,316,940
Total funds carried forward		<u>865,176</u>	<u>(1,083,750)</u>	<u>9,759,887</u>	<u>9,541,313</u>	<u>7,112,714</u>

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information Year ended 31 August 2017	Notes	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total 2017 £
<b>Income and endowments from:</b>					
Donations and capital grants	2	6,273	-	-	6,273
Charitable activities:					
- Funding for educational operations	5	275,142	12,181,566	300,768	12,757,476
Other trading activities	3	318,212	-	-	318,212
Investments	4	268	-	-	268
<b>Total income and endowments</b>		<b>599,895</b>	<b>12,181,566</b>	<b>300,768</b>	<b>13,082,229</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	556,014	12,704,769	64,672	13,325,455
<b>Total expenditure</b>	6	<b>556,014</b>	<b>12,704,769</b>	<b>64,672</b>	<b>13,325,455</b>
<b>Net income/(expenditure)</b>		<b>43,881</b>	<b>(523,203)</b>	<b>236,096</b>	<b>(243,226)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	16	-	1,039,000	-	1,039,000
<b>Net movement in funds</b>		<b>43,881</b>	<b>515,797</b>	<b>236,096</b>	<b>795,774</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		840,500	(3,929,827)	9,406,267	6,316,940
Total funds carried forward		884,381	(3,414,030)	9,642,363	7,112,714

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	11		9,711,020		9,380,767
<b>Current assets</b>					
Debtors	12	406,872		376,909	
Cash at bank and in hand		1,910,791		1,427,093	
		<u>2,317,663</u>		<u>1,804,002</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(379,370)		(412,055)	
<b>Net current assets</b>			1,938,293		1,391,947
<b>Net assets excluding pension liability</b>			<u>11,649,313</u>		<u>10,772,714</u>
Defined benefit pension liability	16		(2,108,000)		(3,660,000)
<b>Net assets</b>			<u>9,541,313</u>		<u>7,112,714</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	14				
- Fixed asset funds			9,759,887		9,642,363
- Restricted income funds			1,024,250		245,970
- Pension reserve			(2,108,000)		(3,660,000)
<b>Total restricted funds</b>			<u>8,676,137</u>		<u>6,228,333</u>
<b>Unrestricted income funds</b>	14		865,176		884,381
<b>Total funds</b>			<u>9,541,313</u>		<u>7,112,714</u>

The accounts set out on pages 23 to 47 were approved by the board of governors and authorised for issue on 10 December 2018 and are signed on its behalf by:

N Johnson  
Chair of Executive Committee

Company Number 08440868

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	2017 £
Net cash inflow/(outflow) from operating activities	18	696,215	(148,747)
<b>Cash flows from investing activities</b>			
Investment income	212	268	
Capital grants received	194,024	468,020	
Payments to acquire tangible fixed assets	(406,753)	(39,171)	
<b>Net cash flow from capital activities</b>		(212,517)	429,117
<b>Net increase in cash</b>		483,698	280,370

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **1 Accounting policies**

The Wythenshawe Catholic Academy Trust is a charitable company incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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

#### **1.1 Basis of preparation**

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Wythenshawe Catholic Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

#### **1.2 Going concern**

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

#### **1.3 Income**

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

##### Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

##### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

---

### 1 Accounting policies

(Continued)

#### Donations

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

#### Other income

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

#### Donated goods, facilities and services

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

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

### 1.4 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **1 Accounting policies**

**(Continued)**

#### **1.5 Tangible fixed assets and depreciation**

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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Site improvements	2% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	20% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

#### **1.6 Liabilities**

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

#### **1.7 Leasing and hire purchase commitments**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the statement of financial activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### **1.8 Financial instruments**

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

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

---

### 1 Accounting policies

(Continued)

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 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.

#### 1.10 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 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 unit credit method. As stated in note 16, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

#### 1.11 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 Education Funding Agency, Department for Education & other funders where the asset acquired or created is held for a specific purpose.



# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 1 Accounting policies

(Continued)

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

#### 1.12 Financial Instruments

The academy trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the academy trust's balance sheet when the academy trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 1.13 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Other donations	13,596	-	13,596	6,273

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 3 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	289,760	-	289,760	177,247
Catering income	143,724	-	143,724	140,965
	<u>433,484</u>	<u>-</u>	<u>433,484</u>	<u>318,212</u>

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Short term deposits	212	-	212	268
	<u>212</u>	<u>-</u>	<u>212</u>	<u>268</u>

### 5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	10,220,566	10,220,566	10,455,603
Capital grants	-	194,024	194,024	386,357
Other DfE / EFA grants	-	1,021,235	1,021,235	1,096,324
	<u>-</u>	<u>11,435,825</u>	<u>11,435,825</u>	<u>11,938,284</u>
<b>Other government grants</b>				
Local authority grants	-	635,415	635,415	508,525
Other grants	-	167,559	167,559	202,777
	<u>-</u>	<u>802,974</u>	<u>802,974</u>	<u>711,302</u>
<b>Other funds</b>				
Other incoming resources	109,750	-	109,750	107,890
	<u>109,750</u>	<u>-</u>	<u>109,750</u>	<u>107,890</u>
<b>Total funding</b>	<u>109,750</u>	<u>12,238,799</u>	<u>12,348,549</u>	<u>12,757,476</u>

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2018 £	Total 2017 £
<b>Academy's educational operations</b>					
- Direct costs	7,125,308	-	748,359	7,873,667	8,858,093
- Allocated support costs	2,028,222	431,161	2,108,192	4,567,575	4,467,362
	<u>9,153,530</u>	<u>431,161</u>	<u>2,856,551</u>	<u>12,441,242</u>	<u>13,325,455</u>
<b>Total expenditure</b>	<u>9,153,530</u>	<u>431,161</u>	<u>2,856,551</u>	<u>12,441,242</u>	<u>13,325,455</u>
<b>Net income/(expenditure) for the year includes:</b>				<b>2018</b>	<b>2017</b>
				£	£
Operating leases					
- Other				18,237	18,237
Loss/(profit) on disposal of fixed assets				-	454
Fees payable to auditor					
- Audit				10,670	10,700
Depreciation				76,500	64,218
				<u>106,407</u>	<u>93,409</u>

### Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>Direct costs</b>				
Teaching and educational support staff costs	-	7,011,397	7,011,397	7,663,541
Educational supplies and services	-	678,611	678,611	1,000,655
Examination fees	-	69,748	69,748	55,165
Staff development	-	113,911	113,911	138,732
	-	7,873,667	7,873,667	8,858,093
<b>Allocated support costs</b>				
Support staff costs	-	2,028,222	2,028,222	1,870,596
Depreciation	-	76,500	76,500	64,672
Maintenance of premises and equipment	-	354,661	354,661	392,191
Cleaning	-	41,134	41,134	87,366
Energy costs	-	238,713	238,713	240,323
Rent and rates	-	136,071	136,071	142,411
Insurance	-	19,863	19,863	145,544
Security and transport	-	5,874	5,874	10,001
Catering	576,247	-	576,247	556,014
Interest and finance costs	-	70,000	70,000	88,000
Other support costs	-	1,020,290	1,020,290	870,244
	576,247	3,991,328	4,567,575	4,467,362
<b>Total costs</b>	576,247	11,864,995	12,441,242	13,325,455

### 8 Staff costs

	2018 £	2017 £
Wages and salaries	6,576,645	6,847,372
Social security costs	652,412	630,008
Operating costs of defined benefit pension schemes	1,021,939	1,061,644
<b>Staff costs</b>	8,250,995	8,539,024
Supply staff costs	336,624	382,859
Staff development and other staff costs	113,911	138,732
<b>Total staff expenditure</b>	8,701,530	9,060,615

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 8 Staff costs

(Continued)

#### Staff numbers

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

	2018 Number	2017 Number
Teachers	133	137
Administration and support	178	188
	<u>311</u>	<u>325</u>

#### Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2018 Number	2017 Number
£60,001 - £70,000	5	4
£70,001 - £80,000	1	1
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1
£100,001 - £110,000	-	1
	<u>-</u>	<u>1</u>

#### Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £416,749 (2017: £263,983).

### 9 Governors' remuneration and expenses

The Head Teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors. During the year, no travel and subsistence payments were reimbursed.

The value of Governors' remuneration was as follows:

D Hemington (Head Teacher) £80,001 - £85,000  
C Fox (Head Teacher) £95,001 - £100,000  
L Kelly (Head Teacher) £80,001 - £85,000  
A Hren (Head Teacher) £80,001 - £85,000

Other related party transactions, involving the Governors are set out within the related parties note (Note 21).

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 10 Governors 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 £10,000,000 on any one claim and the cost for the year ended 31 August 2018 was £61,773 (2017: £61,773).

#### 11 Tangible fixed assets

	Land	Site improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2017	9,307,407	-	126,816	98,498	9,532,721
Additions	-	358,564	39,993	8,196	406,753
Disposals	-	-	(7,000)	(43,328)	(50,328)
At 31 August 2018	9,307,407	358,564	159,809	63,366	9,889,146
<b>Depreciation</b>					
At 1 September 2017	-	-	105,656	46,298	151,954
On disposals	-	-	(7,000)	(43,328)	(50,328)
Charge for the year	-	7,171	47,991	21,338	76,500
At 31 August 2018	-	7,171	146,647	24,308	178,126
<b>Net book value</b>					
At 31 August 2018	9,307,407	351,393	13,162	39,058	9,711,020
At 31 August 2017	9,307,407	-	21,160	52,200	9,380,767

The buildings of The Wythenshawe Catholic Academy Trust, which are occupied under a licence with the Diocese of Shrewsbury, are not included within fixed assets. The academy trust occupies the buildings under a mere licence. This continuing permission of the Diocese is pursuant to, and subject to, the trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the state. The licence delegates aspects of the management of the buildings to the academy trust for the time being, but does not vest any rights over the land in the academy trust. The trustees have given an undertaking to the Secretary of State that they will not give the academy trust less than two years notice to terminate the occupation of the buildings. Having considered the factual matrix under which the academy trust is occupying the buildings the Trustees have concluded that the value of the buildings occupied by the academy trust will not be recognised on the balance sheet of the trust.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2018*

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<b>12 Debtors</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	31,418	24,738
Other debtors	39,357	79,913
Prepayments and accrued income	336,097	272,258
	<hr/>	<hr/>
	406,872	376,909
	<hr/>	<hr/>
<b>13 Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	77,957	63,873
Other creditors	94,079	107,240
Accruals and deferred income	207,334	240,942
	<hr/>	<hr/>
	379,370	412,055
	<hr/>	<hr/>

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 14 Funds

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant	245,970	10,220,566	(9,442,286)	-	1,024,250
Other DfE / EFA grants	-	1,021,235	(1,021,235)	-	-
Other government grants	-	802,974	(802,974)	-	-
	<u>245,970</u>	<u>12,044,775</u>	<u>(11,266,495)</u>	<u>-</u>	<u>1,024,250</u>
Funds excluding pensions	(3,660,000)	-	(522,000)	2,074,000	(2,108,000)
Pension reserve	<u>(3,414,030)</u>	<u>12,044,775</u>	<u>(11,788,495)</u>	<u>2,074,000</u>	<u>(1,083,750)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA and other capital grants	578,782	194,024	(76,500)	-	696,306
Inherited fixed asset fund	9,063,581	-	-	-	9,063,581
	<u>9,642,363</u>	<u>194,024</u>	<u>(76,500)</u>	<u>-</u>	<u>9,759,887</u>
<b>Total restricted funds</b>	<u>6,228,333</u>	<u>12,238,799</u>	<u>(11,864,995)</u>	<u>2,074,000</u>	<u>8,676,137</u>
<b>Unrestricted funds</b>					
General funds	<u>884,381</u>	<u>557,042</u>	<u>(576,247)</u>	<u>-</u>	<u>865,176</u>
<b>Total funds</b>	<u>7,112,714</u>	<u>12,795,841</u>	<u>(12,441,242)</u>	<u>2,074,000</u>	<u>9,541,313</u>



# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 14 Funds

(Continued)

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant	247,173	10,455,603	(10,456,806)	-	245,970
Other DfE / EFA grants		1,096,324	(1,096,324)	-	-
Other government grants		629,639	(629,639)	-	-
	<u>247,173</u>	<u>12,181,566</u>	<u>(12,182,769)</u>	<u>-</u>	<u>245,970</u>
Funds excluding pensions	247,173	12,181,566	(12,182,769)	-	245,970
Pension reserve	(4,177,000)	-	(522,000)	1,039,000	(3,660,000)
	<u>(3,929,827)</u>	<u>12,181,566</u>	<u>(12,704,769)</u>	<u>1,039,000</u>	<u>(3,414,030)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA and other capital grants	342,686	300,768	(64,672)	-	578,782
Inherited fixed asset fund	9,063,581	-	-	-	9,063,581
	<u>9,406,267</u>	<u>300,768</u>	<u>(64,672)</u>	<u>-</u>	<u>9,642,363</u>
<b>Total restricted funds</b>	<u>5,476,440</u>	<u>12,482,334</u>	<u>(12,769,441)</u>	<u>1,039,000</u>	<u>6,228,333</u>
<b>Unrestricted funds</b>					
General funds	840,500	599,895	(556,014)	-	884,381
<b>Total funds</b>	<u>6,316,940</u>	<u>13,082,229</u>	<u>(13,325,455)</u>	<u>1,039,000</u>	<u>7,112,714</u>

The prior year split of funds between unrestricted general funds and restricted fixed asset funds has been reallocated to show the correct brought forward position. The overall total funds remains the same.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

### 14 Funds

(Continued)

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

#### General Annual Grant Funds

Under the funding agreement with the Secretary of State, the academy trust must be used for the normal running expenses of the School and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement.

#### Other DfE/EFA grants

Comprise additional funding received for furtherance of education, which must be used in accordance with specific terms of each grant.

#### Other government grants

Comprise additional funding received for furtherance of education, which must be used in accordance with specific terms of each grant

#### Analysis of academies by fund balance

	2018 £	2017 £
Fund balances at 31 August 2018 were allocated as follows:		
St Anthony's Catholic Primary School	1,209,143	780,013
St Paul's Catholic High School	277,740	64,246
St Elizabeth's Catholic Primary School	249,018	223,122
St John Fisher St Thomas More Catholic Primary School	84,275	25,549
Trust	69,250	37,421
	<hr/>	<hr/>
Funds excluding fixed asset fund and pensions reserve	1,889,426	1,130,351
	<hr/>	<hr/>
Restricted fixed asset fund	9,759,887	9,642,363
Pension reserve	(2,108,000)	(3,660,000)
	<hr/>	<hr/>
Total funds	<u>9,541,313</u>	<u>7,112,714</u>

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 14 Funds

(Continued)

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	2018 £	2017 £
St Anthony's Catholic Primary School	2,002,582	506,979	133,358	570,678	3,213,597	3,169,514
St Paul's Catholic High School	3,285,629	715,039	542,245	1,042,513	5,585,426	6,189,514
St Elizabeth Catholic Primary School	737,925	150,259	121,103	282,945	1,292,232	1,404,890
St John Fisher St Thomas More Catholic Primary School Trust	1,199,951	298,474	65,560	441,792	2,005,777	2,219,284
		142,782		124,928	267,710	
	<u>7,226,087</u>	<u>1,813,533</u>	<u>862,266</u>	<u>2,462,856</u>	<u>12,364,742</u>	<u>12,983,202</u>

### 15 Deferred income

2018  
£

2017  
£

Deferred income is included within:

Creditors due within one year

76,787 54,360

Deferred income at 1 September 2017

54,360 95,065

Released from previous years

(54,360) (40,705)

Amounts deferred in the year

76,787 -

Deferred income at 31 August 2018

76,787 54,360

At 31st August 2018, The Wythenshawe Catholic Academy Trust was holding funds received in advance for funding in which the funding period overlaps the financial year.

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 16 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tameside Metropolitan Borough Council. Both are defined-benefit schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2014.

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

#### Teachers' Pension Scheme

##### Introduction

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

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

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

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £679,185 (2017: £648,000).

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

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 16 Pensions and similar obligations

(Continued)

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.10% for employers and % for employees. The estimated value of employer contributions for the forthcoming year is £450,000.

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

Total contributions made	2018 £	2017 £
Employer's contributions	391,000	414,000
Employees' contributions	125,000	84,000
Total contributions	516,000	498,000

Principal actuarial assumptions	2018 %	2017 %
Rate of increases in salaries	3.2	3.2
Rate of increase for pensions in payment	2.4	2.4
Discount rate	2.8	2.5

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

	2018 Years	2017 Years
Retiring today		
- Males	21.5	21.5
- Females	24.1	24.1
Retiring in 20 years		
- Males	23.7	23.7
- Females	26.2	26.2

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

<b>16 Pensions and similar obligations</b>	<b>(Continued)</b>	
<b>The academy trust's share of the assets in the scheme</b>	<b>2018</b>	<b>2017</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£</b>	<b>£</b>
Equities	5,873,580	5,557,000
Bonds	1,287,360	1,218,000
Cash	482,760	457,000
Property	402,300	381,000
Total market value of assets	8,046,000	7,613,000
Actual return on scheme assets - gain/(loss)	7,000	1,269,000
<b>Amounts recognised in the statement of financial activities</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Current service cost (net of employee contributions)	452,000	434,000
Net interest cost	70,000	88,000
<b>Changes in the present value of defined benefit obligations</b>	<b>2018</b>	
	<b>£</b>	
Obligations at 1 September 2017	11,273,000	
Current service cost	828,000	
Interest cost	256,000	
Employee contributions	125,000	
Actuarial gain	(2,253,000)	
Benefits paid	(90,000)	
Plan introductions, benefit changes, curtailments and settlements	15,000	
At 31 August 2018	10,154,000	
<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2018</b>	
	<b>£</b>	
Assets at 1 September 2017	7,613,000	
Interest income	186,000	
Return on plan assets (excluding amounts included in net interest):		
Actuarial loss	(179,000)	
Employer contributions	391,000	
Employee contributions	125,000	
Benefits paid	(90,000)	
At 31 August 2018	8,046,000	

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 17 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total 2018 £
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	-	-	9,711,020	9,711,020
Current assets	1,940,028	345,801	31,831	2,317,663
Creditors falling due within one year	(1,074,852)	678,449	17,036	(379,370)
Defined benefit pension liability	-	(2,108,000)	-	(2,108,000)
	<u>865,176</u>	<u>(1,083,750)</u>	<u>9,759,887</u>	<u>9,541,313</u>

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total 2017 £
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	9,380,767	9,380,767
Current assets	1,246,874	557,128	-	1,804,002
Creditors falling due within one year	(362,493)	(311,158)	261,596	(412,055)
Defined benefit pension liability	-	(3,660,000)	-	(3,660,000)
	<u>884,381</u>	<u>(3,414,030)</u>	<u>9,642,363</u>	<u>7,112,714</u>

# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2018 £	2017 £
Net income/(expenditure)	354,599	(243,226)
Capital grants and similar income	(194,024)	(468,020)
Investment income	(212)	(268)
Defined benefit pension costs less contributions payable	452,000	434,000
Defined benefit pension finance costs	70,000	88,000
Depreciation of tangible fixed assets	76,500	64,218
Losses on disposals of fixed assets	-	454
(Increase)/decrease in debtors	(29,963)	92,311
(Decrease) in creditors	(32,685)	(116,216)
Net cash inflow/(outflow) from operating activities	696,215	(148,747)

### 19 Commitments under operating leases

At 31 August 2018 the academy trust had annual commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
Expiry date:		
- Within one year	14,499	6,417
- Between two and five years	18,685	11,443
	33,184	17,860

### 20 Capital commitments

	2018 £	2017 £
Expenditure contracted for but not provided in the accounts	-	10,000

### 21 Related party transactions

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, transactions may take place with organisations in which the academy trust has 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.

No related party transactions took place in the period of account other than certain Trustees' remuneration already disclosed in note 9.



# THE WYTHENSHAW CATHOLIC ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

### **23 Financial Instruments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<i>Financial assets measured at amortised cost</i>		
Current assets	<u>2,317,663</u>	<u>1,804,002</u>
<i>Financial liabilities measured at amortised cost</i>		
Current liabilities	<u>(351,664)</u>	<u>(412,055)</u>

