

Company Registration No. 07694573 (England and Wales)

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

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**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

Governors (Trustees)

P M Slonecki (Head Teacher)
B Aleppo (Foundation)
J Husband (Foundation)
K Laponder (Foundation-Vice Chair of Governors)
M Lyons (Foundation)
J McGill (Foundation)
M Totman (Foundation)
S Wheeler (Foundation)
B Connell (Foundation-Parent-Chair of Governors)
P Gannaway (Foundation - Parent)
M Hawkins
G Houghton-Boyle (Parent)
M Redgrave (Parent)
M Ross (Parent)
I Connors (Staff)
R Fernandez (Staff)
Y Uttley-Wright (Staff)

Senior managers

P M Slonecki (Head Teacher)
R Fernandez (Business & Finance Manager)

Company number

07694573

Registered office

Wating Street
Bexleyheath
Kent
DA6 7QL

Auditors

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Bankers

Lloyds TSB Bank PLC
2nd Floor
78 New Road
Gravesend
Kent
DA11 0AR

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS**

	Page
Governors report	1 - 6
Governance Statement	7 - 9
Statement of Regularity, Propriety and Compliance	10
Independent auditor's report	11 - 12
Accountants Assurance Report on Regularity	13 - 14
Statement of financial activities	15
Summary income and expenditure account	16
Balance sheet	17
Cash flow statement	18
Notes to the accounts	19 - 41

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT**

FOR THE PERIOD ENDED 31 AUGUST 2012

The Governors (Trustees) present their report and accounts for the period ended 31 August 2012

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, "Accounting and Reporting by Charities", issued in March 2005, and the Annual Accounts Direction 2011/12 issued by the EFA

Structure, Governance and Management

The Charitable Company is a company limited by guarantee incorporated on 5 July 2011, and the predecessor school converted to Academy status on 1 December 2011

The Governors (Trustees), who are also the directors for the purpose of company law, and who served during the period were

T Gladwin (Foundation)	(Appointed 5 July 2011 and resigned 14 November 2012)
P M Slonecki (Head Teacher)	(Appointed 14 November 2011)
B Aleppo (Foundation)	(Appointed 5 July 2011)
J Husband (Foundation)	(Appointed 5 July 2011)
K Laponder (Foundation-Vice Chair of Governors)	(Appointed 5 July 2011)
D Lonergan (Foundation)	(Appointed 14 November 2011 and resigned 31 August 2012)
M Lyons (Foundation)	(Appointed 5 July 2011)
J Speed (Foundation)	(Appointed 14 November 2011 and resigned 1 May 2012)
M Totman (Foundation)	(Appointed 14 November 2011)
S Wheeler (Foundation)	(Appointed 14 November 2011)
B Connell (Foundation-Parent-Chair of Governors)	(Appointed 5 July 2011)
P Gannaway (Foundation - Parent)	(Appointed 5 July 2011)
M Hawkins	(Appointed 14 November 2011)
G Houghton-Boyle (Parent)	(Appointed 14 November 2011)
M Redgrave (Parent)	(Appointed 5 July 2011)
M Ross (Parent)	(Appointed 16 April 2012)
I Connors (Staff)	(Appointed 5 July 2011)
R Fernandez (Staff)	(Appointed 5 July 2011)
Y Uttley-Wright (Staff)	(Appointed 14 November 2011)

During the period, T Gladwin was the Chair of Governors, however from the 15th October 2012 this position has been taken over by B Connell who was previously the Vice Chair of Governors K Laponder was appointed Vice Chair of Governors at the same date

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Constitution and Members' Liability

St Catherine's Catholic School is registered under the Companies Act 2006, as a company limited by guarantee without a share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member. The Academy is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The governors act as the trustees for the charitable activities of St Catherine's Catholic School and are also the directors of the company for the purposes of company law.

Details of the governors who served throughout the period are included on page 1.

Principal Activities

The principal activity of St Catherine's Catholic School is to provide a state education to girls of different abilities between the ages of 11 to 16. There is an emphasis on Media/Arts (specialist school status). Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

Method of Recruitment and Appointment or Election of Governors

The Governing Body comprises the following Governors,

- a) Up to three initial governors appointed on incorporation,
- b) Up to eight governors appointed by the Governors,
- c) Up to three staff governors elected by the staff,
- d) Up to three parent governors elected by parents,
- e) The Principal is an ex-officio Governor,
- f) Further governors may be appointed by the Secretary of State.

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training in charity and educational legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as governors. The Academy also purchases the Governor Training Scheme run by the local authority.

Organisational Structure

The Board of Governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has several committees, including a Finance & Staffing, Premises & Buildings, Curriculum, Admissions and Pay committees. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to its Committees, the activities of which are reported to and discussed at full Governing Body Meetings. Day to day management of the Academy is undertaken by the Principal, supported by the Senior Management Team.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Risk Management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to academic performance/finances/child welfare. The governors have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement on Internal Control.

The risk management process has been codified in a risk register implemented by the Senior Management Team and overseen by Governors.

Connected Organisations, including Related Party Relationships

The Academy has no connected organisations.

Objects, Aims and Public Benefit

The principal object of the company is to advance for the public benefit, education in the United Kingdom.

It achieves this object through the operation of St Catherine's Catholic School, providing a state education, free of charge, to pupils aged 11 to 16.

In exercising their powers, the Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Achievements and Performance

The school has enjoyed a very successful year. Exam results were good, 69% of pupils having attained 5 or more grades A - C, including English and Maths, in the Summer 2012 GCSE examinations.

On the sporting front, our Year 7 football team won the Bexley League.

We ran several successful school trips in the year to Paris, Barcelona, New York and a ski trip to France, as well as a year 8 activities trip to the Isle of Wight.

The school production was 'Little Shop of Horrors' and two Arts concerts as well as a Gospel Choir Concert in July, were organised and these were well supported and attended.

Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the accounts.

Key Financial Performance Indicators

No key financial performance indicators have been set by the Governors, beyond the requirement that the financial position should remain sufficient to fund future needs. The principal performance measures are non-financial, these are largely educational and pastoral.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Financial Review

Most of the Academy's income is obtained from the DfE (via the Education Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the statement of financial activities.

On 1st December 2011 all the assets and liabilities of the predecessor school known as St Catherine's Catholic School for Girls were transferred to the Academy. The value of the assets brought into the balance sheet as a result are shown as restricted fixed asset funds.

At 31st August 2012 the net book value of fixed assets was £9,290k and details are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The academy held fund balances at 31 August 2012 of £9,547k comprising £9,290k of fixed asset fund, £155k of restricted funds, £747k of unrestricted funds and a pension reserve deficit of £(645k).

Financial and Risk Management Objectives and Policies

Governors keep spendable reserves under constant review to ensure that they have sufficient income to run the Academy on an efficient basis without affecting the quality of teaching and learning.

Reserves Policy

The Governors have not yet formalised a specific policy on reserves, beyond the requirement that reserve levels are regularly monitored by Governors and Management to ensure that sufficient reserves are maintained to meet anticipated future needs while avoiding long term accumulation of excessive sums.

Investment Policy

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

Employee Involvement

Academy staff are empowered to elect colleagues to sit and serve as Governors.

Disabled Persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

Plans for the Future

The principal task facing the company is to maintain the excellent educational standards achieved by the school.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

More specifically, over the next twelve months we plan to remodel/refurbish and extend our Technology block, to completely redesign the catering and ICT facilities and provide additional classrooms. The rolling programme of upgrading all our computers in the school on a four year cycle continues, as well as redecorating of all areas.

Funds held as Custodian Trustee

The Academy inherited £11,357 from the predecessor school representing funds held on behalf of the Bexley Association of Secondary Leaders (BASL), of which the Academy is the "banker school". £5,149 of these funds were spent during the period to 31 August 2012, meaning that £6,208 were held by the charitable company as custodian trustees at the period end.

Statement of Governors Responsibilities

The Governors (who act as Trustees for charitable activities of St Catherine's Catholic School and are also the directors of the charitable company for the purposes of company law), are responsible for preparing the Governors Report and the accounts in accordance with applicable law and regulation, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Annual Accounts Requirements issued by the Education Funding Agency.

Company law requires the Governors (Trustees) to prepare accounts for each financial period. Under company law the Governors (Trustees) 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these accounts, the Governors (Trustees) are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and 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 operation.

The Governors (Trustees) are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the 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 grants received from the EFA / DfE have been applied for the purposes intended.

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

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

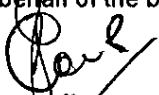
FOR THE PERIOD ENDED 31 AUGUST 2012

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- The Governors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

A resolution proposing that Baxter & Co be reappointed as auditors of the company will be put to the members

On behalf of the board of Governors (Trustees)



B Connell

Chair of Governors

Dated 10 December 2012

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT**

FOR THE PERIOD ENDED 31 AUGUST 2012

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to P M Slonecki, 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 St Catherine's Catholic School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings Attended	Out of a Possible
T Gladwin (Foundation)	1	3
P M Slonecki (Head Teacher)	3	3
B Aleppo (Foundation)	3	3
J Husband (Foundation)	3	3
K Laponder (Foundation-Vice Chair of Governors)	2	3
D Lonergan (Foundation)	1	2
M Lyons (Foundation)	2	3
J Speed (Foundation)	0	1
M Totman (Foundation)	2	3
S Wheeler (Foundation)	1	3
B Connell (Foundation-Parent-Chair of Governors)	3	3
P Gannaway (Foundation - Parent)	3	3
M Hawkins	1	3
G Houghton-Boyle (Parent)	2	3
M Redgrave (Parent)	2	3
M Ross (Parent)	2	2
I Connors (Staff)	3	3
R Fernandez (Staff)	3	3
Y Uttley-Wright (Staff)	2	3

The Finance and Staffing Committee is a sub-committee of the main Governing Body. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy's finances and resources. Attendance at meetings in the year was as follows:

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Governor	Meetings Attended	Out of a Possible
D Lonergan (Foundation)	2	2
R Fernandez (Staff)	3	3
T Gladwin (Foundation)	2	3
J Husband (Foundation)	3	3
P M Slonecki (Head Teacher)	3	3
M Lyons (Foundation)	2	3
K Laponder (Foundation-Vice Chair of Governors)	2	3
Y Uttley-Wright (Staff)	2	3

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Catherine's Catholic School for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body,
- Regular reviews by the Finance and Staffing Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- Setting targets to measure financial and other performance,
- Clearly defined purchasing (asset purchase or capital investment) guidelines,
- Delegation of authority and segregation of duties,
- Identification and management of risks

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed B Connell, as Responsible Officer 'RO'. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a regular basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The Governing Body are satisfied that the RO function has been fully delivered in line with the EFA's requirements. No material control issues have been notified to Governors as a result of the RO's work.

Review of Effectiveness

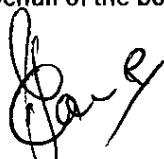
The Accounting Officer P M Slonecki, has the responsibility for reviewing the effectiveness of the system of internal control.

During the period ended 31 August 2012 the review has been informed by

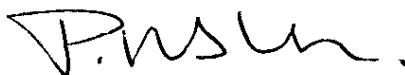
- The work of the Responsible Officer,
- The work of the External Auditor,
- The financial management and governance self assessment process,
- The work of the Executive Managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

On behalf of the board of Governors (Trustees)



B Connell
Chair of Governors
Dated 10 December 2012



P M Slonecki
Accounting Officer
Dated 10 December 2012

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE PERIOD ENDED 31 AUGUST 2012**

As accounting officer of St Catherine's Catholic School I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



P M Slonecki
Accounting Officer
Dated 10 December 2012

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF ST CATHERINE'S CATHOLIC SCHOOL

We have audited the accounts of St Catherine's Catholic School for the period ended 31 August 2012 set out on pages 15 to 41. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors (Trustees) and auditors

As explained more fully in the statement of Governors' responsibilities, the Governors (Trustees), who are also the directors of St Catherine's Catholic School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We are also responsible for expressing an opinion on whether grants made by the DfE/EFA have been applied for the purposes intended.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors (Trustees), and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Annual Accounts Direction 2011/12 issued by the EFA, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters

In our opinion grants made by the DfE/EFA have been applied for the purposes intended.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF ST CATHERINE'S CATHOLIC SCHOOL

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or 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 trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**D J Walsh FCCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co**

**Chartered Certified Accountants
Statutory Auditor**

Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Dated 20 December 2012

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO ST CATHERINE'S CATHOLIC SCHOOL AND THE EDUCATION
FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education Funding Agency 'EFA' as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Catherine's Catholic School during the period ended 31 August 2012 have been applied to the purpose identified by Parliament and the financial transactions conform to the authorities which govern them

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

Respective Responsibilities of St Catherine's Catholic School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of St Catherine's Catholic School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook as published by the DfES in 2006, for ensuring that expenditure disbursed and income received is applied for the purpose 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 2011/12. 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 ended 31 August 2012 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 2011/12 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure. We have included in our examination testing of a sample of

- Payments to staff,
- Payments to suppliers and other third parties,
- Grant and other income streams

We have reviewed the most recent Financial Management and Governance Evaluation self assessment return prepared by the Academy and made enquires of the Accounting Officer thereon. We have reviewed minutes and other evidence made available to us, relevant to our consideration of regularity.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO ST CATHERINE'S CATHOLIC SCHOOL AND THE EDUCATION
FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period ended 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

Baxter & Co

Chartered Certified Accountants

Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Dated 20 December 2012

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES**

FOR THE PERIOD ENDED 31 AUGUST 2012

	Notes	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset fund £'000	Total 2012 £'000
Incoming Resources					
<i>Generated Funds</i>					
- Voluntary Income	3	5	142	-	147
- Voluntary Income (transfers on conversion)	3	712	917	9,448	11,077
- Activities for Generating Funds	4	4	-	-	4
- Investment Income	5	2	-	-	2
<i>Charitable Activities</i>					
- Educational Operations	6	24	4,125	-	4,149
Total Incoming Resources		747	5,184	9,448	15,379
Resources Expended					
<i>Costs of generating funds</i>					
- Costs of generating Voluntary Income	7	-	988	-	988
<i>Charitable Activities</i>					
- Educational Operations	8	-	3,962	196	4,158
<i>Governance Costs</i>	9	-	35	-	35
<i>Other Resources Expended</i>					
- Transfers on conversion	7	-	520	-	520
- LGPS Pension Finance Costs	7/17	-	13	-	13
Total Resources Expended	7	-	5,518	196	5,714
Net Incoming/(Outgoing) Resources before Transfers		747	(334)	9,252	9,665
Gross transfers between funds	15	-	(38)	38	-
Net Incoming/(Outgoing) Resources before Other Recognised Gains and Losses		747	(372)	9,290	9,665
Other recognised gains and losses					
Actuarial Gains/(Losses) on Defined Benefit Pension Scheme	17	-	(118)	-	(118)
Net movement in funds		747	(490)	9,290	9,547
Fund balances at 5 July 2011		-	-	-	-
Fund balances at 31 August 2012		747	(490)	9,290	9,547

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2012**

	Period ended 31 August 2012 £'000
Income	
General Annual Grant (GAG)	4,031
Other DfE / EFA Grants	41
Other Government Grants	21
Capital Income	32
Fixed Assets donated to Academy	9,448
Other Income	1,806
Total Income	15,379
Expenditure	
General Annual Grant (GAG) related expenditure	3,890
Other DfE / EFA Grants related expenditure	41
Other Government Grant related expenditure	21
Expenditure Funded from Capital Income (not capitalised)	51
Other Expenditure	527
Expenditure Funded from Other Income	988
Depreciation	196
Total Expenditure	5,714
Excess of Income over Expenditure	9,665

The summary income and expenditure account is derived from the statement of financial activities on page 15 which, together with the notes on pages 19 to 41, provides full information on the movements during the period on all funds of the charity

All of the Academy's activities derive from acquisitions in the current financial period

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Net Income/(Expenditure) for the period	9,665
Actuarial Gains/(Losses) on Defined Benefit Pension Scheme	(118)
Total Recognised Gains and Losses for the period	9,547

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 AUGUST 2012

	Notes	2012 £'000	£'000
Fixed assets			
Tangible assets	12		9,290
Current assets			
Debtors	13	10	
Cash at bank and in hand		1,189	
		<u>1,199</u>	
Creditors, amounts falling due within one year	14	<u>(297)</u>	
Net current assets			<u>902</u>
Total assets less current liabilities			<u>10,192</u>
Defined benefit pension liability	17		(645)
Net assets			<u><u>9,547</u></u>
Funds			
Restricted Funds	15		
General Annual Grant (GAG) Fund			84
Fixed Asset Fund			9,290
Other Income Fund			71
LGPS Fund			(645)
Unrestricted Funds	15		
Other Income Fund			747
			<u>9,547</u>

The accounts were approved by the Governors, and authorised for issue on 10 December 2012

B Connell
Chair of Governors

**Company
Registration
No. 07694573**

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CASH FLOW STATEMENT**

FOR THE PERIOD ENDED 31 AUGUST 2012

	Notes	Period ended 31 August 2012 £'000
Net cash (outflow)/inflow from operating activities	18	370
Cash transferred on conversion	3	823
Returns on investments and servicing of finance		
Investment income		2
Net cash inflow from returns on investments and servicing of finance		2
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets		(38)
Capital Grants		32
Net cashflow from capital activities		(6)
Increase in cash	19	1,189

All of the Academy's activities derive from acquisitions in the current financial period

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS**

FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historic cost convention and in accordance with applicable accounting standards and the Charities SORP 2005

The Standard Format for the financial statements as required by the Companies Act 2006 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 ('Charities SORP 2005') and the Academies Accounts Direction issued by the EFA

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

1.2 Going Concern

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

1.3 Incoming resources

Grants Receivable

Grants are included in the statements of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Donated Services and Gifts in Kind

The value of donated services and gifts in kind (other than fixed assets) provided to the company is recognised in the statement of financial activities as incoming resources and resources expended at their estimated open market value to the company in the period in which they are receivable, and where the benefit is both quantifiable and material.

Interest Receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

Other Income

Income is included in the statement of financial activities on a cash received basis or on an accruals basis where the receipt is assured with reasonable certainty and is receivable at the balance sheet date.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012**

1 Accounting Policies

(continued)

1.4 Resources expended

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

Allocation of Costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the company's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

Costs of Generating Funds

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

Charitable Activities

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

Governance Costs

Governance costs include the costs attributable to the company's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the objects of the company at the discretion of the Governors.

Restricted funds comprise grants from the DiE / EFA and other donors which are to be used for specific purposes as explained in note 15.

Restricted Fixed Asset funds are resources which are to be applied to specific purposes according to the source of funding for the related fixed assets.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting Policies

(continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation

Assets costing £4,000 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 are depreciated over their expected useful economic life. The related grants are credited to an appropriate restricted fund in the statement of financial activities and carried forward in the balance sheet

Depreciation is charged in the statement of financial activities at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land is not depreciated

Buildings	2% Straight Line
ICT / Computer equipment	33 33% Straight Line
Plant and machinery	20% Straight Line
Motor vehicles	20% Straight Line

The Academy has purchased a Canopy which has a useful life of 30 years, therefore this asset is depreciated over 30 years

1.6 Fixed Asset Transfer from the Predecessor School

Where fixed assets were transferred to the charitable company from the predecessor school, these have been included at a value determined in accordance with the policy described below

Land

Where land is owned (or occupied under the terms of a long term lease), subject to a legally binding restriction as to its use, it is included at a nominal value of £1

Buildings

In accordance with the requirements of FRS 15, specialist buildings transferred from the predecessor school are recognised at their depreciated replacement cost at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings

Other Fixed Assets

Other fixed assets transferred from the predecessor school are also included at depreciated replacement cost (subject to the capitalisation limit set). Assets transferred (other than fixed assets) are dealt with as a donation in kind within the Statement of Financial Activities

1.7 Leasing and hire purchase commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting Policies

(continued)

1.8 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy. More details of the schemes are given in note 17.

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credit adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Further details are set out in note 17 to the financial statements.

1.9 Taxation

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

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

2	General Annual Grant (GAG)	2012
		£'000
a.	Results and Carry Forward for the period	
	GAG brought forward from previous period	-
	GAG allocation for current period	4,031
	Total GAG available to spend	4,031
	Recurrent expenditure from GAG	(3,890)
	Other purchases from GAG	(57)
	GAG Carried Forward to Next Year	84
	Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(484)
	GAG to surrender to DfE / EFA (12% rule breached if result is positive)	(400)
		<i>no breach</i>
b.	Use of GAG Brought Forward from previous period for recurrent purposes (Of the amount Carried Forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)	
	Recurrent expenditure from GAG in current period	3,890
	GAG allocation for current period	(4,031)
	GAG allocation for previous period x 2%	-
	GAG Brought Forward from previous period in excess of 2%, used on recurrent expenditure in current period (2% rule breached if result is positive)	(141)
		<i>no breach</i>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

3 Voluntary Income

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2012 £'000
Other Income	5	142	-	147
	<u>5</u>	<u>142</u>	<u>-</u>	<u>147</u>
Transfers on Conversion				
School Reserves	712	111	-	823
Fixed Assets	-	-	9,448	9,448
Other Assets	-	806	-	806
	<u>712</u>	<u>917</u>	<u>9,448</u>	<u>11,077</u>
	<u>717</u>	<u>1,059</u>	<u>9,448</u>	<u>11,224</u>

4 Activities for Generating Funds

	Unrestricted funds £'000	Total 2012 £'000
Lettings	4	4
	<u>4</u>	<u>4</u>

5 Investment Income

	Unrestricted funds £'000	Total 2012 £'000
Bank Interest	2	2
	<u>2</u>	<u>2</u>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012**

6 Funding for Academy's Educational Operations

	Unrestricted funds £'000	Restrcted funds £'000	Total 2012 £'000
General Annual Grant (GAG)	-	4,031	4,031
Other DfE / EFA Grants			
Pupil Premium	-	36	36
Other Grants	-	5	5
Other Government Grants			
Other Government Grant Funds		10	10
LA Standards Grant	-	11	11
Capital Grants			
Devolved Formula Capital Grant	-	32	32
Other Income			
Other Income	24	-	24
	<u>24</u>	<u>4,125</u>	<u>4,149</u>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

7 Total resources expended

	Staff costs £'000	Depreciation £'000	Other costs £'000	Total 2012 £'000
Costs of Generating Voluntary Income	-	-	988	988
Costs of Activities for Generating Funds	-	-	-	-
Academy's Educational Operations				
Direct Costs	2,644	157	305	3,106
Allocated Support Costs	538	39	475	1,052
	<u>3,182</u>	<u>196</u>	<u>780</u>	<u>4,158</u>
Governance costs	-	-	35	35
Other				
LGPS Deficit Inherited on Conversion	-	-	520	520
LGPS Pension Finance Cost	-	-	13	13
	<u>-</u>	<u>-</u>	<u>533</u>	<u>533</u>
	<u>3,182</u>	<u>196</u>	<u>2,336</u>	<u>5,714</u>

Details of fees payable to Auditors are set out in note 9 (Governance Costs)

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

8 Charitable Activities - Academy's Educational Operations

	Restricted funds £'000	Fixed Asset fund £'000	Total 2012 £'000
Direct Costs			
Teaching and Educational Support	2,644	-	2,644
Depreciation	-	157	157
Educational Supplies and Services	217	-	217
Examination Fees	60	-	60
Educational Consultancy	5	-	5
School Trips and Activities	10	-	10
Staff Development	13	-	13
Other Direct Costs	-	-	-
	<u>2,949</u>	<u>157</u>	<u>3,106</u>
Allocated Support Costs			
Support Staff Costs	544	-	544
LGPS Staff Costs	(6)	-	(6)
Depreciation	-	39	39
Maintenance of Premises	102	-	102
Furniture and Equipment	5	-	5
Cleaning	8	-	8
Water	6	-	6
Energy	67	-	67
Rates	28	-	28
Insurance	24	-	24
Security	6	-	6
Transport	4	-	4
Administrative Costs	31	-	31
Catering	32	-	32
Recruitment and Support	15	-	15
Technology Costs	129	-	129
Other Support Costs	18	-	18
	<u>1,013</u>	<u>39</u>	<u>1,052</u>
Total	<u>3,962</u>	<u>196</u>	<u>4,158</u>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012**

9 Governance costs	Restricted funds £'000	Total 2012 £'000
Legal and Professional Fees payable to Auditors	26	26
Audit Fees	5	5
Other Fees	4	4
	<hr/>	<hr/>
	35	35
	<hr/> <hr/>	<hr/> <hr/>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012**

10 Staff Costs

Number of employees

The average number of persons (including senior management team) employed by the Academy during the period expressed as full time equivalents was as follows

	2012 Number
Teachers	59
Administration and Support	40
Management	6
	<u>105</u>

Employment costs

	2012 £'000
Wages and salaries	2,632
Social security costs	193
Other pension costs	300
	<u>3,125</u>
Agency Supply and Other Salary Related Costs	57
	<u>3,182</u>

The number of employees whose annual remuneration was £60,000 or more was

	2012 Number
£60,000 - £70,000	1
£70,001 - £80,000	1
£130,001 - £140,000	1

Of the employees whose emoluments exceed £60,000 p a 3 participated in either the Teachers' Pension Scheme or the Local Government Pension Scheme. During the period, pension contributions for these staff amounted to £25,817

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

11 Governors (Trustees)

Governors' Remuneration and Expenses

The Head Teacher and 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 in respect of their role as Governors. The value of Governors' remuneration during the 9 month period covered by these accounts was as follows:

P Slonecki (Head Teacher)	£110,771
B Aleppo (Staff Governor)	£0 - £5,000
I Connors (Staff Governor)	£35,000 - £40,000
R Fernandez (Staff Governor)	£35,000 - £40,000
Y Uttley-Wright (Staff Governor)	£30,000 - £35,000

During the period ended 31 August 2012, expenses totalling £3,027 were reimbursed to 1 Governor.

Governors' and Officers' Insurance

In accordance with normal commercial practice the company purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, error or omissions occurring whilst on company business. Cover of up to £1,000,000 on any one claim was purchased, the cost of which is contained within the general insurance premium.

12 Tangible fixed assets

	Land and buildings £'000	Plant and machinery £'000	Total £'000
Cost or valuation			
At 5 July 2011	-	-	-
Additions	9,476	10	9,486
At 31 August 2012	9,476	10	9,486
Depreciation			
At 5 July 2011	-	-	-
Charge for the period	194	2	196
At 31 August 2012	194	2	196
Net book value			
At 31 August 2012	9,282	8	9,290

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

13 Debtors	2012 £'000
Other debtors	4
Prepayments and accrued income	6
	<hr/>
	10
	<hr/> <hr/>

14 Creditors amounts falling due within one year	2012 £'000
Taxes and social security costs	87
Accruals	167
Deferred income	43
	<hr/>
	297
	<hr/> <hr/>

Deferred income of £43k, in respect of school trips, represents resources deferred in the period and carried forward at 31 August 2012

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

15 Funds

	Movement in funds				Balance at 31 August 2012
	Balance at 5 July 2011	Incoming resources	Resources expended	Gains, Losses and Transfers	
	£'000	£'000	£'000	£'000	£'000
General Annual Grant	-	4,031	(3,890)	(57)	84
Other DfE / EFA Grants	-	41	(41)	-	-
Other Government Grants	-	21	(21)	-	-
Other Income	-	1,059	(988)	-	71
Restricted General Funds	-	5,152	(4,940)	(57)	155
DfE / EFA Capital Grant	-	32	(51)	19	-
Restricted Capital Fund	-	32	(51)	19	-
Restricted Fixed Asset Fund	-	9,448	(196)	38	9,290
Restricted LGPS Fund	-	-	(527)	(118)	(645)
Total Restricted Funds	-	14,632	(5,714)	(118)	8,800
Total Unrestricted Funds	-	747	-	-	747
Total Funds	-	15,379	(5,714)	(118)	9,547

The Restricted General Funds are used to fund the general operating costs of the Academy. The company is allowed to carry forward up to 12% of the current (GAG). Of the carried forward amount, up to 2% can be used for general purposes at the discretion of the company, but any balance over 2% must be used for premises expenditure.

The Other Government Grants Fund represents the unspent balance of grants received during the period for specific purposes.

The Restricted Other Income General Fund represents the Academy's Voluntary Fund balance of £71k.

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

15 Funds

(continued)

The Restricted Capital Fund represents unspent capital income at the period end and is set aside to fund future capital purchases

The Restricted Fixed Asset Fund are resources which are to be applied to specific purposes according to the source of funding for the related fixed asset

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total Funds £'000
Fund balances at 31 August 2012 are represented by:				
Tangible fixed assets	-	-	9,290	9,290
Current assets	747	452	-	1,199
Creditors amounts falling due within one year	-	(297)	-	(297)
Defined benefit pension liability	-	(645)	-	(645)
	<u>747</u>	<u>(490)</u>	<u>9,290</u>	<u>9,547</u>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Bexley 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 was 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £10,566 were payable to the Local Government Pension Scheme at 31 August and are included within creditors

Teachers' Pension Scheme

The TPS is a statutory, contributory, defined benefit scheme The regulations under which the TPS operates are the Teachers' Pension Regulations 2010

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

The contribution rate paid into the TPS is assessed in two parts First, a standard contribution rate ("SCR") is determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions The total contribution rate payable is the sum of the SCR and the supplementary contribution rate

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004 The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments

(continued)

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2012 was £114,000, of which employer's contributions totalled £85,000 and employees' contributions totalled £29,000. The agreed contribution rates for future years are 13.3% plus monthly lump sum contributions for employers and a range between 5.5% and 7.5% for employees according to salary levels.

The employer's contribution rate includes additional lump sum contributions assessed by actuaries every three years which are designed to eliminate the pension fund deficit over a 10 year period.

The LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did subsequently, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

The major assumptions used by the actuary were:

	2012
	%
Rate of increase in salaries	3.70
CPI Increases	2.20
Rate of increase in pensions in payment	2.20
Discount rate	4.30

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments

(continued)

Sensitivity Analysis

	Assets at 31 August 12 £'000	Liabilities at 31 August 12 £'000	(Deficit)/Surplus At 31 August 12 £'000
Central	750	(1,395)	(645)
Sensitivity 1			
+0 1% in real discount rate	750	(1,368)	(618)
Sensitivity 2			
+0 1% in inflation	750	(1,422)	(672)
Sensitivity 3			
+1 year in mortality rate	750	(1,419)	(669)

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

	2012 Years
Retiring today	
Males	22
Females	25
Retiring in 20 years	
Males	24
Females	27

The values of the assets in the scheme are as follows:

	2012 %	2012 £'000
Equities	60.50	453
Bonds	5.00	38
Property	6.50	49
Other assets	28.00	210
	<u>60.50</u>	<u>453</u>
Total market value of assets		750
Present value of scheme liabilities		(1,395)
		<u>(645)</u>
Net pension liability		<u>(645)</u>

The expected return on plan assets is 5.93%

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments (continued)

Analysis of the amounts recognised in the statement of financial activities:

	2012 £'000
Employer Service Cost	(79)
Deficit Inherited on Conversion	(520)
Employers Contribution	85
	<hr/>
Total operating charge	(514)
	<hr/> <hr/>

Analysis of the amount shown as other finance expenditure:

	2012 £'000
Expected Return on Employee Share of Scheme Assets	29
Interest on Pension Liabilities	(42)
	<hr/>
Net surplus/(deficit)	(13)
	<hr/> <hr/>

Analysis of amount recognised in the statement of total recognised gains and losses:

	2012 £'000
Actuarial Gains/(Losses) on Assets	27
Actuarial Gains/(Losses) on Liabilities	(145)
	<hr/>
Actuarial Gain/(Loss) recognised in the statement of total recognised gains and losses	(118)
	<hr/> <hr/>

Movement in Surplus/(Deficit) during the period:

	2012 £'000
Operating charge	(514)
Other finance income	(13)
Actuarial losses	(118)
	<hr/>
Deficit in scheme at 31 August 2012	(645)
	<hr/> <hr/>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments (continued)

Movements in the Present Value of Defined Benefit Obligations were as follows

	2012 £'000
Interest Cost	(42)
Actuarial (Losses) Gains	(145)
Contributions by Scheme Participants	(29)
Other Movements	(1,179)
	<u>(1,395)</u>

Included within Other Movements is £1,100,000 in relation to the obligations inherited by the Academy, and £79,000 of service costs

Movements in the Fair Value of Academy's share of scheme assets:

	2012 £'000
Actuarial Gains (Losses)	27
Contributions by Employer including unfunded	85
Contributions by Scheme Participants	29
Other Movements	609
	<u>750</u>

Included within Other Movements is £580,000 of assets inherited by the Academy, and £29,000 relating to expected return on plan assets

ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments **(continued)**

Defined benefit (continued)

History of experience gains and losses:

	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000
Present value of defined benefit obligations	(1,395)	-	-	-	-
Fair value of share of scheme assets	750	-	-	-	-
	<u>(645)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Experience adjustment on scheme liabilities	-	-	-	-	-
Percentage of liabilities	-	-	-	-	-
Experience adjustment on scheme assets	27	-	-	-	-
Percentage of assets	3 60%	-	-	-	-

18 Net cash inflow from operating activities **2012**
£'000

Reconciliation to changes in resources

Changes in resources before revaluations	9,665
Cash transferred on conversion	(823)
Investment income	(2)
Depreciation of tangible fixed assets	196
Increase in debtors	(10)
Increase in creditors	297
Non cash donations	(9,448)
Capital Income	(32)
FRS17 Deficit Inherited on Conversion	520
Other FRS17 Charges	7
	<u>370</u>

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

19	Reconciliation of net cash flow to movement in net funds	2012
		£'000
	Increase in cash	1,189
	Net funds at 5 July 2011	-
		<hr/>
	Net funds at 31 August 2012	1,189
		<hr/> <hr/>

20	Analysis of net cash balances	Cash flow	Non-cash	At 31 August
			changes	2012
		£'000	£'000	£'000
	Cash at bank and in hand	1,189	-	1,189
		<hr/>	<hr/>	<hr/>
		1,189	-	1,189
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

21 Commitments under operating leases

At 31 August 2012 the company had annual commitments under non-cancellable operating leases as follows

	2012
	£'000
Expiry date	
Between two and five years	25
	<hr/> <hr/>

22 Capital commitments

At 31 August 2012 the Academy was committed to work on the Science Block with expected costs of £51,480 which is to be funded by ACMF income

**ST CATHERINE'S CATHOLIC SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

23 Conversion to an Academy

On 1 December 2011 St Catherine's Catholic School for Girls converted to Academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the Academy from the London Borough of Bexley for £nil consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income/resources expended in the Statement of Financial Activities as Voluntary income/other resources expended

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2012 £'000
Tangible Fixed Assets				
- Freehold / Leasehold Land & Buildings	-	-	9,438	9,438
- Other Tangible Fixed Assets	-	-	10	10
Budget Surplus/(Deficit) on Local Authority Funds	712	-	-	712
Budget Surplus/(Deficit) on Other School Funds	-	111	-	111
LGPS Pension Surplus/(Deficit)	-	(520)	-	(520)
Borrowing Obligations	-	-	-	
Other identified Assets & Liabilities	-	806	-	806
	<u>712</u>	<u>397</u>	<u>9,448</u>	<u>10,557</u>

The above net Assets / Liabilities include £823k that were transferred as cash

24 Members' Liability

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