

Company Registration Number: 09413691 (England & Wales)

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustee's Report	3 - 10
Governance Statement	11 - 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustee's Responsibilities	16
Independent Auditors' Report on the Financial Statements	17 - 19
Independent Reporting Accountant's Assurance Report on Regularity	20 - 21
Statement of Financial Activities (Incorporating Income and Expenditure Account)	22
Balance Sheet	23 - 24
Statement of Cash Flows	25
Notes to the Financial Statements	26 - 51

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

The Southwark Diocesan Board of Education
The Parochial Church Council of All Saints Wandsworth
Revd G Prior
The Right Reverend Dr Richard Cheetham, Bishop of Kingston

Trustees / Governors

Revd G Prior 1 2
N Gallagher, Headteacher (resigned 31 August 2018) 1 2
P Bishop
T Evans
S Howe
Revd A Kurk 1 2
G Wilson 1 2
M Andrews 1 2
R Chambers
J Ewins 1 2
N Wild
C Baker (appointed 10 November 2016) 1 2
H Constant (appointed 1st March 2018)

- 1 Members of the Resources Committee
- 2 Members of the Audit Committee

Company Secretary

D Cobb

Senior Management Team

N Gallagher, Headteacher
A Kennedy, Deputy Headteacher
A Gillespie, Assistant Headteacher
A Harrington, Assistant Headteacher
P Bishop, Assistant Headteacher
J Miller, Assistant Headteacher
R Croft, Assistant Headteacher
D Cobb, School Business & Development Manager

Company Name

Saint Cecilia's Church of England School

Principal and registered office

Saint Cecilia's Church of England School
Sutherland Grove
London
SW18 5JR

Company registered number

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

09413691 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, New Bridge Street House, 30-34 New Bridge Street, London, EC4V 6BJ

Bankers

Natwest Bank Plc
Parklands
De Havilland Way
Horwich
Bolton
BL6 4YU

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

**SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 19 serving a catchment area in Wandsworth, South West London. It has a pupil capacity of 950 and had a roll of 940 in the school census on 4 October 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Saint Cecilia's Church of England School are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Saint Cecilia's Church of England School.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

Members Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

Method of Recruitment and Appointment or Election of Trustees

Members

The members of the Academy Trust shall comprise the signatories to the Memorandum, the Diocesan Board of Education, the Bishop and the Parochial Church Council of the Parish being the "Foundation Members", the Chairman of the Governors provided that person is a Foundation Governor and any person appointed under Article 16.

Trustees

The number of Governors shall be not less than 3, but shall not be subject to a maximum. The first Governors shall be those named in the initial Memorandum. The Academy Trust shall have the following Governors: up to 10 Foundation Governors appointed under Article 50; 2 staff Governors appointed under Article 50A; 2 parent Governors elected or appointed under Articles 53-58 and the Headteacher. The Academy may also have up to 3 co-opted Governors, a person who is appointed to be a Governor by being co-opted by the Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Headteacher).

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher and any ex officio Governor. Subject to remaining eligible to be a particular type of Governor, any Governor

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction for new Governors depends on their experience. All new Governors are given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. Induction tends to be done informally and is tailored specifically to the individual. All new governor inductions include a meeting with the Headteacher and Chair of Governors.

Organisational Structure

The structure consists of three levels: the Governors; Senior Leadership Team and Middle Leaders, (including Curriculum Team Leaders). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the plan and budget, and making major decision about the direction of the Academy, capital expenditure and Senior Leader appointments.

The Senior Leadership Team consists of the Headteacher, one Deputy Headteachers, six Assistant Headteachers and the School Business and Development Manager. The Senior Leadership Team controls the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. The Headteacher is the Accounting Officer for the Academy Trust. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for middle and senior leader posts will often include Governors. Some spending control is devolved to Curriculum Team Leaders, with authorisation from a Senior Leader.

**SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

Arrangements for setting pay and remuneration of key management personnel

Senior Leader Pay is determined by the Headteacher in consultation with Governors, with the pay of the Headteacher being determined by the Governing Body. The school pays in line with national pay scales and compares pay with similar schools in the London area to ensure that salaries offered are competitive and sufficient to attract high quality staff.

Trade Union facility time

Two staff act as local staff representatives for two unions. No time was requested to attend to official union business.

Related parties and other connected charities and organisations.

The academy is a Church of England School within the Southwark Diocesan Board of Education (SDBE). The Trustees are fully responsible for the management and development of the school, but as the SDBE own the land and buildings and are represented at Member level, they have a strong influence and control over the school. The academy formed a partnership with its main feeder school, St Michael's CofE primary from the summer of 2018 with both parties entering into a memorandum of understanding to work together for mutual benefit of the local school community.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Saint Cecilia's is a school renowned for excellence in all areas. Built on solid biblical foundations, where the fruits of the spirit are actively cultivated, it is a school where all pupils thrive academically and socially because of the high quality teaching and exceptional pastoral support. We seek to achieve 'academic excellence within a caring Christian community.'

The academic results demonstrate that Saint Cecilia's is a school where pupils progress academically at rates faster than they would elsewhere; a school where exceptional progress is the norm. Academic success and personalised social support ensure all pupils are equipped for the next stage of their life. Deprivation does not stand in the way of development, and all children are encouraged to pursue Higher Education regardless of their background.

Jesus Christ is reflected in every strand of the school's work and as a result pupils are extraordinarily content, have tangible high self-esteem and radiate self-confidence. Pupils enjoy school and are actively engaged in all facets of school life resulting in exceptionally high attendance and very low mobility.

Principal Aims:

- Highest possible aspirations for all
- Outstanding teaching to become the norm
- All pupils and groups of pupils make exceptional progress
- All pupils are happy and content, full of self-confidence and with high self-esteem
- To give glory to God through outstanding and enjoyable education.

Objectives, Strategies and Activities

Saint Cecilia's Church of England School is a mixed 11-19 secondary school. The pupils at the school are encouraged to be ambitious and to achieve to their highest ability, whilst retaining a sense of who they are and what values are important in our society. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others.

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The principal objective of the Academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Saint Cecilia's Church of England school.

Objectives, strategies and activities

The main objectives of the period ending 31 August 2018 were:

- To develop the whole child.
- To promote the highest standards of academic achievement, motivation and self-discipline.
- To ensure high quality teaching and learning in all subjects at all stages.
- To encourage each individual child to develop their talents to the full.
- To ensure that everyone is treated equally and with respect.
- To develop in pupils an awareness and appreciation of spiritual, moral, social and cultural values and attitudes.
- To help pupils develop creative, lively and critically enquiring minds and the ability to question and discuss rationally.
- To promote an awareness of our place in, dependency on and respect for the world environment.
- To promote the fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs.

Public Benefit

The Governors confirm that they have referred to the guidance contained in the Charities Commission's general guidance on public benefit when reviewing the Academy's aims and objectives and in planning future activities. In particular, the Governors consider how planned activities will contribute to the aims and objectives they have set.

Admissions

Saint Cecilia's participates in the co-ordinated admissions scheme of the London Borough of Wandsworth. The school also adheres to the common timetable for admissions, including the arrangements for dealing with applications received after the closing date as set out in Wandsworth Council's scheme.

Saint Cecilia's will admit 150 students to year 7. Places are allocated as follows:

- 80 Foundation places will be offered to children who themselves or their parents/carers are practising members of a Christian church.
- 70 Open places will be offered to children irrespective of their religious background.
- Of the 150 spaces, 10 Foundation and 5 Open places will be offered to children who demonstrate that they have the aptitude to benefit from a specialist course in music.

STRATEGIC REPORT

Achievements and Performance

Key Financial Performance Indicators

Achievements and Performance

The Academy is heavily oversubscribed receiving over 1000 applications for 150 places in year 7. Pupils will leave the school periodically due to personal circumstances and wherever possible, places are filled quickly by

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

those on our waiting lists. However, it is not common for pupils to elect to move during Key Stage 4 as their GCSE examinations are imminent, so there are some places available in years 10 and 11. In the sixth form there were 201 students.

In the summer of 2018 the academy once again attained excellent results in national GCSE and A' Level examinations.

In the vast majority of subjects, most pupils progress well from their different starting points and achieve or exceed standards expected for their age nationally. Where progress, for either a particular group or in a particular subject is slower than expected, the systematic monitoring of performance data by school leaders ensures quick identification and response to concerns. Accurate and robust internal data tracking and quality assurance systems enable school leaders to intervene proactively to prevent difficulties before they become problematic. The subjects and groups that underperformed in 2016-17 were picked up in the School improvement plan and most made significant gains in 2017-18 (including disadvantaged, low prior attainment and SEND).

Headline Measures

	2016		2017		2018	
	School	National	School	National	School	National
Progress 8	0.05	0.0	+0.18	0.0	0.39	0.0
Attainment 8	56.2	49.5	53.7	44.2	53.91	*
% A*-C English	93%	74%	#	#	#	#
% A*-C Mathematics	83%	68%	#	#	#	#
% A*-C English and Mathematics	79.1%	62%	#	#	#	#
% 9-4 English	#	#	88.8%	75.0%	92.8%	*
% 9-4 Mathematics	#	#	83.2%	69.0%	80.0%	*
% 9-4 English and Mathematics	#	#	80.4%	63%	77.5%	*
% Entering the EBacc	33.8%	N/A	56%	38%	*	*
% Achieving the EBacc	29%	19%	#	#	#	#
% 9-5 English	#	#	78.3%	*	78.3%	*
% 9-5 Mathematics	#	#	59.4%	49.7%	59.1%	*
% 9-5 English and Mathematics	#	#	55.9%	42.0%	56.5%	*
% Entering the EBacc (9-4)	#	#	40.0%	24.0%	19.6%	*
% Achieving the EBacc (9-4)	#	#	36.0%	21.0%	17.4%	*

Denotes that no data will be available as this national measure has been replaced with the new numeric grading structure. The two systems are not aligned to enable accurate and reliable historic comparison.
* Denotes that figures were not available at the time of printing this report.

Saint Cecilia's Church of England School is an inclusive school with a strong track record of ensuring that all pupils have the opportunity to succeed and move on to the further education of their choice.

Going Concern

The Academy, as is the case for most schools nationally, have faced a period where its funding has not risen

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

sufficiently to stay in line with its rising costs. National Insurance, employer pension contributions and pay rises in particular have added significant pressures to the school budget. Saint Cecilia's expects that there will be further real terms cuts to education budgets in the coming years. During the same period, costs are expected to rise through nationally agreed pay awards and other inflationary pressures. With reserves at a low level, the only ways to meet these rising costs are to increase student numbers or to reduce expenditure.

The school has had to make further significant savings in the last year by reviewing its curriculum and reducing overall staffing numbers for both teachers and support staff. Through careful management of its budgets, the school was able to repay £100,000 of its advance of GAG from the ESFA and has budgeted for the remaining 4 years of payment (£150,000 per year). All schools face significant financial pressure in the coming years and will be expected to find at least 1% efficiency savings annually. The school produce five year budget plans and have factored in these savings, the loan repayments and inflationary rises expected for supplies and services.

FINANCIAL REVIEW

The majority of the Academy's income is received directly from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed assets fund. The restricted fixed assets fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ending 31 August 2018, total expenditure of £6,465,105 was met by recurring grant expenditure from the ESFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed assets and transfers to fixed asset funds) was £378,908

At 31 August 2018 the net book value was £11,657,763. Movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Wandsworth Pension Fund, in which the Academy participates, showed a deficit of £520,000 as at 31 August 2018.

Reserves Policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of unrestricted reserves should be equivalent to four weeks normal expenditure, which would be £480,000.

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a contingency to respond to unexpected costs such as urgent maintenance or repairs.

The Academy's reserves as at 31 August 2018 were in an overall surplus position of 11,106,075. Governors have carefully considered the speed in which they can increase reserves as they can only be increased by making an annual surplus from its operating activities. A significant reduction in expenditure in operating activities would be likely to impact on the Academy's ability to achieve its aim and objectives.

The recent financial climate and political policy has created a position where Schools and Academies are

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

facing year on year real term budget cuts making it increasingly difficult to achieve the objectives of the Academy while generating an operating surplus and building reserves. This has a significant long term implication for all schools and academies as they are expected to fund the majority of their lifecycle replacement costs through their annual operating revenue. The current government policy and subsequent levels of funding are unsustainable in the medium term, which is a view held unanimously by all within the education sector.

Reserves Policy (continued)

At 31 August 2018 the total funds comprised:

Unrestricted		£124,632
Restricted:	Fixed asset funds	£11,657,763
	Pension reserve	£(520,000)
	Other	£(206,320)
		<u>£11,056,075</u>

Investment Policy

Under the Memorandum and Articles of Association, the academy has the power to invest funds not immediately required. However, as the reserves of the Academy are below the level set in the Reserves Policy, the Academy is not in a position to invest for the foreseeable future. Governors will review the investment policy at a time when they are confident that reserves can be maintained in excess of the levels set in the reserves policy for a reasonable investment period.

Principal Risks and Uncertainties

The Governors have comprehensively assessed risks to which the Academy and documented this in a Risk Register, which is reviewed on a termly basis. Governors ensure that action plans are in place to mitigate and reduce risk and as these are implemented, the risk factor for each is reviewed accordingly.

The principle risks facing the academy are:

Financial

The current funding position where grants are being reduced at the same time as costs are rising produces a number of financial risks including: having insufficient reserves to meet any significant unforeseen or emergency expenditure; the risk that future funding cuts will require reductions in expenditure that will reduce the ability to achieve the key objectives; and reduced reserves creates a risk to cash flow making it more difficult to ensure there is sufficient cash in hand to pay immediate costs.

Infrastructure

Although the school is relatively new (opened in September 2003), there are elements of the infrastructure that require periodic replacement and upgrading. Modern ICT systems and networks have a reasonably short lifespan and represent a significant financial investment for a school of this size. Additionally, items of plant and equipment (including boilers; carpets; tables and chairs) have a limited lifespan and the revenue funding provided by the ESFA is insufficient to meet these lifecycle costs. Investment is prioritised to minimise the impact on teaching and learning, but overall, the assets of the school will gradually decline.

Fundraising

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

Fundraising is becoming increasingly important to fund the activities of the school as Government funding continues to fall in real terms. Fund raising is not used for the core educational delivery of the school, but to enhance and develop the offer, to add value and to support those that have more difficult financial circumstances. In addition to donations received directly from parents, the School has an active parent teacher association that fund raise through organising social activities and events.

PLANS FOR FUTURE PERIODS

The Academy will continue striving to maintain and improve the high levels of performance that it has become accustomed to for all its pupils and students. The Academy will continue to ensure that at the time that children leave the school, they are well prepared for future study, training or employment and that they are able to make the best choices for their life chances.

The Academy has an excellent understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. Additionally, external factors such as political policy and funding decisions are regularly reviewed to ensure that the Academy is well placed to respond to challenges and take advantage of opportunities.

In particular, the Academy is seeking to:

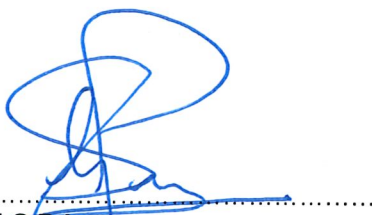
- Maintain and improve on the excellent levels of academic achievement that have become the norm for the school.
- Change from being a Single Academy Trust (SAT) to become a Multi Academy Trust (MAT) to achieve the economies of scale and resilience that are possible for a group of schools.
- Develop a formal partnership with its key primary feeder school, St Michael's Church of England Primary School. The partnership aims to enable a smooth transition from primary to secondary, to share knowledge and expertise to the benefit of both schools, and to procure services to achieve shared efficiencies.
- Increase the school roll so that funding can be increased accordingly
- Seek to develop additional classroom and sports facilities to meet the demand for school spaces locally

AUDITOR

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 17 December 2018 and signed on the board's behalf by:



Revd G Prior
Chair of Trustees

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

SCOPE OF RESPONSIBILITY

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

The board of Trustees has delegated the day-to-day responsibility to the headteacher as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Saint Cecilia's Church of England School and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **Board of Trustees** has formally met 5 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Revd G Prior	5	5
T Evans	4	5
N Gallagher	3	3
P Bishop	2	4
H Constant	3	3
S Howe	3	5
Revd A Kurk	5	5
G Wilson	4	5
R Chambers	2	4
M Andrews	3	5
N Wild	4	5
C Baker	3	5
J Ewins	2	5
J Kiddle (advisor)	0	3

The Board of Trustees has remained relatively stable over the year and the new Governors recruited in 2016 have brought key legal and business skills, which has strengthened the Board.

Martin Howe continued as advisor as he has significant financial skills, qualifications and experience. Archdeacon John Kiddle continues as an advisor to the Trust to ensure that the Christian ethos of the school is reflected in its work.

The Faith Committee ensures that the Christian ethos and culture of the Trust are embedded and reflected in all aspects of school life, which has enabled the school to achieve its outstanding SIAM's judgement.

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to monitor and agree budget, finance and premises issues, as set out in its terms of reference. It puts forward proposals to the Full Governing Body based on information from the Headteacher, School Business and Development Manager and other members of the Senior Leadership Team. The Resources Committee reviews the internal audit reports and fulfils the role of the Audit Committee for the Trust.

M Howe, who is a qualified accountant, continued to advise the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
G Wilson (Chair)	5	5
N Gallagher	5	5
G Prior	5	5
Revd A Kurk	5	5
M Andrews	3	5
C Baker	3	4
J Ewins	3	3
M Howe (advisor)	5	5

REVIEW OF VALUE FOR MONEY

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the 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:

- Reviewing and competitively tendering the cleaning contract.
- Reviewing and competitively tendering the ICT support contract.
- Reviewing staff contracts to redefine roles as vacancies arise
- Reviewing the curriculum offer to reduce costs in line with reduced Government funding.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

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 Saint Cecilia's Church of England School for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going 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 financial statements. This process is regularly reviewed by the board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has appointed Wilkins Kennedy LLP to undertake the role of internal auditor for the period to 31 August 2018. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On an annual basis, the reviewer reports to the board of Trustees, through the Resources Committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities. The reviewer delivered the programme as planned and found no material issues. There were a number of minor

SAINT CECILIA'S CHURCH SCHOOL OF ENGLAND
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

recommendations and the committee continue to review their implementation and effectiveness.

REVIEW OF EFFECTIVENESS

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

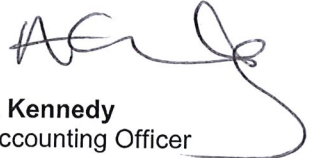
- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of Trustees on 17 December 2018 and signed on its behalf by:



Revd G Prior
Chair



A Kennedy
Accounting Officer

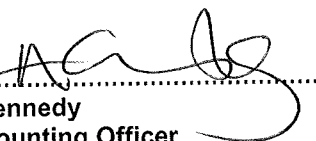
SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Saint Cecilia's Church of England School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, 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 Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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.


.....
A Kennedy
Accounting Officer

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Members of the Board of Trustees on 17 December 2018 and signed on its behalf by:



Revd G Prior
Chair of Trustees

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL

OPINION

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

In our opinion the Financial Statements:

- give a true and fair view of the state of the Academy Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

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 Auditors' responsibilities for the audit of the Financial Statements 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 Financial Statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the Academy 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 Financial Statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the Financial Statements and our Auditors' report thereon. Our opinion on the Financial Statements 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.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.
- the Trustees' Report and the 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 our 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 Trustees' Report including the 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 Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the Financial Statements, the Trustees are responsible for assessing the Academy 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 Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the Academy Trust's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust'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 Academy Trust and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alyson Howard FCCA DChA CF (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

71 New Dover Road
Canterbury
Kent

CT1 3DZ

Date: 19 December 2013

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 May 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Saint Cecilia's Church of England School during the year 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 Saint Cecilia's Church of England School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Saint Cecilia's Church of England School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Saint Cecilia's Church of England School and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Saint Cecilia's Church of England School's funding agreement with the Secretary of State for Education dated 27 February 2015, 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 year 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY
(continued)

The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

71 New Dover Road
Canterbury
Kent
CT1 3DZ

Date: *17 December 2018*

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	As restated Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	20,025	-	20,959	40,984	42,139
Charitable activities	3	-	5,954,334	-	5,954,334	5,769,559
Other trading activities	4	395,734	205,530	-	601,264	889,703
TOTAL INCOME		415,759	6,159,864	20,959	6,596,582	6,701,401
EXPENDITURE ON:						
Charitable activities	5	291,127	5,905,588	268,390	6,465,105	7,682,307
TOTAL EXPENDITURE		291,127	5,905,588	268,390	6,465,105	7,682,307
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	124,632	254,276	(247,431)	131,477	(980,906)
		-	(31,096)	31,096	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		124,632	223,180	(216,335)	131,477	(980,906)
Actuarial gains on defined benefit pension schemes	22	-	386,000	-	386,000	356,000
NET MOVEMENT IN FUNDS		124,632	609,180	(216,335)	517,477	(624,906)
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(1,335,500)	11,874,098	10,538,598	11,163,504
TOTAL FUNDS CARRIED FORWARD		124,632	(726,320)	11,657,763	11,056,075	10,538,598

The notes on pages 26 to 51 form part of these Financial Statements.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09413691

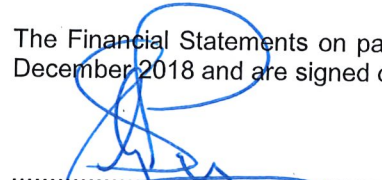
BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		11,657,763		11,874,098
CURRENT ASSETS					
Debtors	15	299,904		322,709	
Cash at bank and in hand		696,540		406,744	
		<u>996,444</u>		<u>729,453</u>	
CREDITORS: amounts falling due within one year	16	<u>(628,132)</u>		<u>(640,953)</u>	
NET CURRENT ASSETS			<u>368,312</u>		<u>88,500</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,026,075</u>		<u>11,962,598</u>
CREDITORS: amounts falling due after more than one year	17		<u>(450,000)</u>		<u>(600,000)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>11,576,075</u>		<u>11,362,598</u>
Defined benefit pension scheme liability	22		<u>(520,000)</u>		<u>(824,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>11,056,075</u></u>		<u><u>10,538,598</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted general funds	18	(206,320)		(511,500)	
Restricted fixed asset funds	18	11,657,763		11,874,098	
		<u>11,451,443</u>		<u>11,362,598</u>	
Restricted funds excluding pension liability					
Restricted general funds - pension reserve		<u>(520,000)</u>		<u>(824,000)</u>	
Total restricted funds			<u>10,931,443</u>		<u>10,538,598</u>
Unrestricted funds	18		<u>124,632</u>		<u>-</u>
TOTAL FUNDS			<u><u>11,056,075</u></u>		<u><u>10,538,598</u></u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The Financial Statements on pages 22 to 51 were approved by the Trustees, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:



.....
Revd G Prior
Chair of Trustees



.....
A Kennedy
Interim Accounting Officer

The notes on pages 26 to 51 form part of these Financial Statements.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	<u>420,892</u>	<u>(415,766)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(52,055)	(71,098)
Capital grants from DfE/ESFA		<u>20,959</u>	<u>20,594</u>
Net cash used in investing activities		<u>(31,096)</u>	<u>(50,504)</u>
Cash flows from financing activities:			
Repayment of Concessionary Loan		(100,000)	-
ESFA Concessionary Loan		-	700,000
Net cash (used in)/provided by financing activities		<u>(100,000)</u>	<u>700,000</u>
Change in cash and cash equivalents in the year		289,796	233,730
Cash and cash equivalents brought forward		<u>406,744</u>	<u>173,014</u>
Cash and cash equivalents carried forward	21	<u><u>696,540</u></u>	<u><u>406,744</u></u>

The notes on pages 26 to 51 form part of these Financial Statements.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of Financial Statements

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

Saint Cecilia's Church of England School constitutes a public benefit entity as defined by FRS 102. The Financial Statements are prepared in sterling which is the functional currency of the Academy Trust and rounded to the nearest pound.

Saint Cecilia's Church of England School is a company limited by guarantee, incorporated in England and Wales. The address of the registered office and principal place of operation are detailed on page 1. The nature of the Academy Trust's operation and principal activity are detailed in the Governors' Report.

1.2 Going concern

The Academy Trust, as is the case for most schools nationally, have faced a period where its funding has not risen sufficiently to stay in line with its rising costs. National Insurance, employer pension contributions and pay rises in particular have added significant pressures to the school budget. Saint Cecilia's expects that there will be further real terms cuts to education budgets in the coming years. During the same period, costs are expected to rise through nationally agreed pay awards and other inflationary pressures. With reserves at a low level, the only ways to meet these rising costs are to increase student numbers or to reduce expenditure.

The school has had to make further significant savings in the last year by reviewing its curriculum and reducing overall staffing numbers for both teachers and support staff. Through careful management of its budgets, the school was able to repay £100,000 of its advance of GAG from the ESFA and has budgeted for the remaining 4 years of payment (£150,000 per year). All schools face significant financial pressure in the coming years and will be expected to find at least 1% efficiency savings annually. The school produce five year budget plans and have factored in these savings, the loan repayments and inflationary rises expected for supplies and services.

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that despite the negative reserves balance at 31 August 2018, the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

In making this assessment the Trustees have considered their three year budget forecasts and cash flow position, taking into account the repayments of advance GAG.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

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

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

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 receipt is probable and it is measurable.

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

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

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

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

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

The buildings on Church land are situated on land, not owned by the Academy Trust, and are occupied on a rolling supplemental agreement with the Diocese of Southwark. The underlying land is subject to a variety of specific Trusts and vests in a number of different parties represented by the Diocese of Southwark. Whilst the Academy Trust does not own the buildings, the Trustees do not regard the termination of the agreement to occupy as likely and therefore have reflected the fact that the Academy Trust derives economic value from the buildings, which it is obliged to maintain and improve, by including them in the accounts. This is at the valuation based on the Mouchel desktop valuation completed for the ESFA, as if occupied under long leasehold. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land has been included. This treatment reflects the substance of the transaction, not the strict legal form of the transaction and places no restriction on either the, Academy Trust or the Diocese or the Trusts which own the land.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

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

Buildings on Church Land	-	2% straight line
Fixtures and fittings	-	10% straight line
Computer 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.

1.7 Debtors

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

1.8 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Concessionary Loan

The ESFA advanced funding in the amount of £700,000 in the year ended 31 August 2017, which is to be deducted from funding to the period to 2022. This advance has been provided interest free and has been separately shown in notes 16 and 17.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.10 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:

Financial assets - trade debtors, accrued income and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 16 and 17. 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.

1.11 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.

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 22, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded multi-employer 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.

1.13 Restatement of prior year figures

The prior period results have been restated to correctly classify elements of expenditure.

The effect of this restatement on expenditure was to reclassify Other Expenditure within Charitable Activities - Direct Other Costs which resulted in an increase of £366,117.

Components within Charitable Activities - Support Costs have also been reclassified to better reflect the reporting requirements of the Academy Accounts Direction.

Staff costs have also increased by £16,890, to include the Defined benefit pension scheme finance cost and deduct the Apprenticeship levy.

None of these adjustments had any impact on the surplus for the year or the funds as at 31 August 2017.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	20,025	-	-	20,025	21,545
Capital grants	-	-	20,959	20,959	20,594
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2018	20,025	-	20,959	40,984	42,139
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2017	21,545	-	20,594	42,139	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3. CHARITABLE ACTIVITIES - FUNDING FOR EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,465,746	5,465,746	5,325,074
Pupil Premium	-	210,687	210,687	207,965
Other DfE/ESFA Revenue Grants	-	94,712	94,712	-
	-	5,771,145	5,771,145	5,533,039
Other government grants				
Local Authority - SEN	-	183,189	183,189	236,520
	-	183,189	183,189	236,520
Total 2018	-	5,954,334	5,954,334	5,769,559
Total 2017	-	5,769,559	5,769,559	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	28,788	-	28,788	23,633
Catering income	14,403	-	14,403	166,006
Other income	31,860	205,530	237,390	338,890
Educational trips and visits	320,683	-	320,683	361,174
Total 2018	395,734	205,530	601,264	889,703
Total 2017	659,035	230,668	889,703	

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. TOTAL EXPENDITURE

	Staff costs	Premises	Other costs	Total	As restated
	2018	costs	2018	2018	Total
	£	2018	£	£	2017
		£			£
Charitable activities:					
Direct costs	4,046,671	-	543,504	4,590,175	5,214,828
Support costs	678,767	662,027	534,136	1,874,930	2,467,479
Total 2018	4,725,438	662,027	1,077,640	6,465,105	7,682,307
Total 2017	5,512,567	375,103	1,794,637	7,682,307	

6. ANALYSIS OF EXPENDITURE BY CHARITABLE ACTIVITIES

	Activities	Support	Total	As restated
	undertaken	costs	2018	Total
	directly	2018	£	2017
	2018	£		£
	£			
Educational operations	4,590,175	1,874,930	6,465,105	7,682,307
Total 2017	5,214,828	2,467,479	7,682,307	

7. TOTAL DIRECT COSTS

	Educational	Total	Total
	operations	2018	2017
	£	£	£
Teaching and learning costs	495,827	495,827	575,809
Other costs	47,677	47,677	74,222
Direct staff costs	4,046,671	4,046,671	4,564,797
Total 2018	4,590,175	4,590,175	5,214,828
Total 2017	5,214,828	5,214,828	

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8. TOTAL SUPPORT COSTS

	Educational operations £	Total 2018 £	Total 2017 £
Defined benefit pension scheme finance cost	24,000	24,000	19,000
Technology costs	140,463	140,463	161,380
Premises costs	414,024	414,024	472,872
Governance costs	27,878	27,878	33,999
Other costs	345,408	345,408	588,056
Support staff costs	654,767	654,767	928,770
Depreciation	268,390	268,390	263,402
Total 2018	<u>1,874,930</u>	<u>1,874,930</u>	<u>2,467,479</u>
Total 2017	<u>2,467,479</u>	<u>2,467,479</u>	

9. GOVERNANCE COSTS

	2018 £	2017 £
Trustees' expenses and training	6,285	73
Auditors' remuneration - Audit of the Financial Statements	9,750	10,700
Auditors' remuneration - Other services	5,650	3,750
Auditors' remuneration - Other services under provision	6,193	19,476
Total	<u>27,878</u>	<u>33,999</u>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the Academy Trust	268,390	263,402
Auditors' remuneration - Audit of the Financial Statements	9,750	10,700
Auditors' remuneration - Other services	5,650	3,750
Auditors' remuneration - Other services under provision	6,193	19,476
Operating lease rentals	<u>106,327</u>	<u>46,591</u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

11. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	As restated 2017 £
Wages and salaries	3,571,430	4,090,082
Social security costs	349,024	418,407
Pension costs	632,075	842,345
	<u>4,552,529</u>	<u>5,350,834</u>
Supply teacher costs	148,909	142,733
Defined benefit pension scheme finance cost	24,000	19,000
	<u>4,725,438</u>	<u>5,512,567</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	54	63
Administration and support	35	45
Management	9	10
	<u>98</u>	<u>118</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	7	5
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	1
In the band £100,001 - £110,000	0	1
In the band £110,000 - £120,000	1	0

The above employees participated in both the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2018 pension contributions for these staff members amounted to £108,045 (2017 - £85,576).

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

11. STAFF COSTS (continued)

d. Key management personnel

The Key Management Personnel of the Academy Trust comprise the Trustees and the Senior Management Team. The total amount of employee benefits (including employer national insurance contributions and employer pension contributions) received by Key Management Personnel for services to the Academy Trust was £924,519 (2017 - £755,245).

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018 £	2017 £
N Gallagher, Accounting Officer	Remuneration	110,000-115,000	105,000-110,000
	Pension contributions paid	15,000-20,000	15,000-20,000
P Bishop, Staff Trustee	Remuneration	65,000-70,000	65,000-70,000
	Pension contributions paid	10,000-15,000	15,000-20,000
Revd A Kurk, Staff Trustee	Remuneration	35,000-40,000	35,000-40,000
	Pension contributions paid	5,000-10,000	5,000-10,000
R Chambers, Staff Trustee	Remuneration	30,000-35,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000

During the year ended 31 August 2018, expenses totalling £2,208 (2017 - £2,518) were reimbursed to 3 Trustees (2017 - 4).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £NIL (2017 - £1,369).

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

14. TANGIBLE FIXED ASSETS

	Buildings on Church land £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2017	12,389,035	105,592	25,311	12,519,938
Additions	11,134	34,187	6,734	52,055
At 31 August 2018	<u>12,400,169</u>	<u>139,779</u>	<u>32,045</u>	<u>12,571,993</u>
Depreciation				
At 1 September 2017	618,708	17,011	10,121	645,840
Charge for the year	248,003	13,978	6,409	268,390
At 31 August 2018	<u>866,711</u>	<u>30,989</u>	<u>16,530</u>	<u>914,230</u>
Net book value				
At 31 August 2018	<u>11,533,458</u>	<u>108,790</u>	<u>15,515</u>	<u>11,657,763</u>
At 31 August 2017	<u>11,770,327</u>	<u>88,581</u>	<u>15,190</u>	<u>11,874,098</u>

15. DEBTORS

	2018 £	2017 £
Trade debtors	2,197	24,312
VAT recoverable	58,094	111,067
Other debtors	73,727	80,232
Prepayments and accrued income	165,886	107,098
	<u>299,904</u>	<u>322,709</u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Concessionary loan	150,000	100,000
Trade creditors	185,808	312,866
Other taxation and social security	97,545	108,568
Other creditors	73,727	98,440
Accruals and deferred income	121,052	21,079
	<u>628,132</u>	<u>640,953</u>
	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	5,020	54,166
Resources deferred during the year	99,038	5,020
Amounts released from previous years	(5,020)	(54,166)
Deferred income at 31 August 2018	<u>99,038</u>	<u>5,020</u>

At the balance sheet date the Academy Trust was holding funds received in advance for;

- School trips taking place in the 2018-19 academic year;
- Rates for the 2018-19 academic year; and

17. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Concessionary loan	<u>450,000</u>	<u>600,000</u>

The ESFA advanced funding in the amount of £700,000 in the year ended 31 August 2017, which is to be deducted from funding to the period to 2022. This advance has been provided interest free and has been separately shown in notes 16 and 17.

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General funds						
General Funds	-	415,759	(291,127)	-	-	124,632
Restricted general funds						
General Annual Grant (GAG)	(511,500)	5,465,746	(5,129,470)	(31,096)	-	(206,320)
Pupil Premium	-	210,687	(210,687)	-	-	-
Other DfE/ESFA revenue grants	-	94,712	(94,712)	-	-	-
Other Government Grants	-	183,189	(183,189)	-	-	-
Other activities	-	205,530	(205,530)	-	-	-
Pension reserve	(824,000)	-	(82,000)	-	386,000	(520,000)
	<u>(1,335,500)</u>	<u>6,159,864</u>	<u>(5,905,588)</u>	<u>(31,096)</u>	<u>386,000</u>	<u>(726,320)</u>
Restricted fixed asset funds						
Net Book Value of owned Fixed Assets	11,874,098	-	(268,390)	52,055	-	11,657,763
DfE / ESFA Capital Grants	-	20,959	-	(20,959)	-	-
	<u>11,874,098</u>	<u>20,959</u>	<u>(268,390)</u>	<u>31,096</u>	<u>-</u>	<u>11,657,763</u>
Total restricted funds	<u>10,538,598</u>	<u>6,180,823</u>	<u>(6,173,978)</u>	<u>-</u>	<u>386,000</u>	<u>10,931,443</u>
Total of funds	<u>10,538,598</u>	<u>6,596,582</u>	<u>(6,465,105)</u>	<u>-</u>	<u>386,000</u>	<u>11,056,075</u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. STATEMENT OF FUNDS - CURRENT YEAR (continued)

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

The Unrestricted General Fund has been created to recognise the income and expenditure in respect of activities undertaken by the Academy Trust.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal educational running costs of the Academy Trust. During the year, a transfer of £31,096 was made to the NBV of owned Fixed Assets fund for capital purchases.

The Pupil Premium fund has been established to recognise the restricted funding from the Education and Skills Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The LGPS deficit (pension reserve) fund represents the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised. The fund is in deficit, but given the nature of the liability this is not payable immediately. Plans are in place to meet the deficit.

The NBV of owned Fixed Assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund. During the year, a transfer of £31,096 and £20,959 was made from the General Annual Grant (GAG) and DfE/ESFA Capital grants fund for capital purchases made using these funds.

The DfE/ESFA Capital grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of owned Fixed Assets fund. Capital grants received and receivable but not yet spent on fixed assets are held as current assets in the restricted fixed asset fund. During the year, a transfer of £20,959 was made to the NBV of owned Fixed Assets fund for capital purchases.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The Academy Trust is carrying a net deficit of £81,688 on restricted general funds (excluding pension reserve) plus unrestricted funds for the following reason.

A deficit was incurred and reported in the prior year.

The Academy Trust is taking the following action to return these funds to surplus:

The academy trust has agreed an advance of GAG with the ESFA and is repaying this over a five year period. The budget allows for the repayment of this advance and creates annual surpluses to build reserves as the advance is repaid

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. STATEMENT OF FUNDS - CURRENT YEAR (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General Funds	54,102	680,580	(584,797)	(149,885)	-	-
Restricted general funds						
General Annual Grant (GAG)	-	5,325,074	(5,935,955)	99,381	-	(511,500)
Pupil Premium	-	207,965	(207,965)	-	-	-
Local Authority Grants	-	236,520	(236,520)	-	-	-
Other activities	-	230,668	(230,668)	-	-	-
Pension reserve	(957,000)	-	(223,000)	-	356,000	(824,000)
	<u>(957,000)</u>	<u>6,000,227</u>	<u>(6,834,108)</u>	<u>99,381</u>	<u>356,000</u>	<u>(1,335,500)</u>
Restricted fixed asset funds						
Net Book Value of owned Fixed Assets	12,066,402	-	(263,402)	71,098	-	11,874,098
DfE / ESFA Capital Grants	-	20,594	-	(20,594)	-	-
	<u>12,066,402</u>	<u>20,594</u>	<u>(263,402)</u>	<u>50,504</u>	<u>-</u>	<u>11,874,098</u>
Total restricted funds	<u>11,109,402</u>	<u>6,020,821</u>	<u>(7,097,510)</u>	<u>149,885</u>	<u>356,000</u>	<u>10,538,598</u>
Total of funds	<u><u>11,163,504</u></u>	<u><u>6,701,401</u></u>	<u><u>(7,682,307)</u></u>	<u><u>-</u></u>	<u><u>356,000</u></u>	<u><u>10,538,598</u></u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	54,102	1,096,339	(875,924)	(149,885)	-	124,632
Restricted general funds						
General Annual Grant (GAG)	-	10,790,820	(11,065,425)	68,285	-	(206,320)
Pupil Premium	-	418,652	(418,652)	-	-	-
Other DfE/ESFA revenue grants	-	94,712	(94,712)	-	-	-
Local Authority Grants	-	236,520	(236,520)	-	-	-
Other Government Grants	-	183,189	(183,189)	-	-	-
Other activities	-	436,198	(436,198)	-	-	-
Pension reserve	(957,000)	-	(305,000)	-	742,000	(520,000)
	(957,000)	12,160,091	(12,739,696)	68,285	742,000	(726,320)
Restricted fixed asset funds						
Net Book Value of owned Fixed Assets	12,066,402	-	(531,792)	123,153	-	11,657,763
DfE / ESFA Capital Grants	-	41,553	-	(41,553)	-	-
	12,066,402	41,553	(531,792)	81,600	-	11,657,763
Total restricted funds	11,109,402	12,201,644	(13,271,488)	149,885	742,000	10,931,443
Total of funds	11,163,504	13,297,983	(14,147,412)	-	742,000	11,056,075

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	11,657,763	11,657,763
Current assets	124,632	871,812	-	996,444
Creditors due within one year	-	(628,132)	-	(628,132)
Creditors due in more than one year	-	(450,000)	-	(450,000)
Defined benefit pension scheme liability	-	(520,000)	-	(520,000)
	<u>124,632</u>	<u>(726,320)</u>	<u>11,657,763</u>	<u>11,056,075</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted general funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	11,874,098	11,874,098
Current assets	-	729,453	-	729,453
Creditors due within one year	-	(640,953)	-	(640,953)
Creditors due in more than one year	-	(600,000)	-	(600,000)
Defined benefit pension scheme liability	-	(824,000)	-	(824,000)
	<u>-</u>	<u>(1,335,500)</u>	<u>11,874,098</u>	<u>10,538,598</u>

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

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	131,477	(980,906)
Adjustment for:		
Depreciation charges	268,390	263,402
Decrease/(increase) in debtors	22,805	(38,939)
(Decrease)/increase in creditors	(62,821)	838,271
Capital grants from DfE/ESFA	(20,959)	(20,594)
Defined benefit pension scheme cost less contributions payable	58,000	204,000
Defined benefit pension scheme finance cost	24,000	19,000
ESFA Concessionary Loan	-	(700,000)
Net cash provided by/(used in) operating activities	<u>420,892</u>	<u>(415,766)</u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£	£
Cash at bank and in hand	696,540	406,744
Total	<u>696,540</u>	<u>406,744</u>

22. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Wandsworth. Both are Multi-employer defined benefit pension schemes.

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

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

22. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £400,075 (2017 - £482,112).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £174,000 (2017 - £210,000), of which employer's contributions totalled £130,000 (2017 - £157,000) and employees' contributions totalled £44,000 (2017 - £53,000). The agreed contribution rates for future years are 18.9% for employers and 5.5% to 12.5% for employees.

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

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

22. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
Commutation of pensions to lump sums	50.00 %	50.00 %

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

	2018	2017
Retiring today		
Males	24.5	24.4
Females	26.1	26.0
Retiring in 20 years		
Males	26.8	26.7
Females	28.5	28.3

Sensitivity analysis	At 31 August 2018 £000	At 31 August 2017 £000
Discount rate +0.1%	(63)	(67)
Discount rate -0.1%	65	69
Mortality assumption - 1 year increase	78	83
Mortality assumption - 1 year decrease	(75)	(81)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,281,000	1,297,000
Gilts	75,000	80,000
Other bonds	193,000	183,000
Property	65,000	54,000
Cash and other liquid assets	11,000	12,000
Multi-asset fund	289,000	157,000
Total market value of assets	1,914,000	1,783,000

The actual return on scheme assets was £116,000 (2017 - £211,000).

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

22. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Current service cost	(304,000)	(361,000)
Interest income	44,000	31,000
Interest cost	(68,000)	(50,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	116,000	-
Total	<u>(212,000)</u>	<u>(380,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	2,607,000	2,261,000
Current service cost	304,000	361,000
Interest cost	68,000	50,000
Employee contributions	44,000	53,000
Actuarial gains	(315,000)	(112,000)
Benefits paid	(3,000)	(6,000)
Gains on curtailments and settlements	(271,000)	-
Closing defined benefit obligation	<u>2,434,000</u>	<u>2,607,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	1,783,000	1,304,000
Interest income	44,000	31,000
Actuarial gains/(losses)	71,000	244,000
Employer contributions	130,000	157,000
Employee contributions	44,000	53,000
Benefits paid	(3,000)	(6,000)
Losses on curtailments and settlements	(155,000)	-
Closing fair value of scheme assets	<u>1,914,000</u>	<u>1,783,000</u>

SAINT CECILIA'S CHURCH OF ENGLAND SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

Reconciliation of opening to closing Defined Benefit Pension Scheme liability

	2018 £	2017 £
Defined benefit pension scheme liability brought forward	824,000	957,000
Defined benefit pension scheme cost less contributions payable	58,000	204,000
Defined benefit pension scheme finance cost	24,000	19,000
Actuarial gains on defined benefit pension schemes	(386,000)	(356,000)
	<hr/>	<hr/>
Defined benefit pension scheme liability carried forward	<u>520,000</u>	<u>824,000</u>

The amounts recognised in the Balance Sheet are as follows:

	2018 £	2017 £
Present value of the defined benefit pension scheme obligation	(2,434,000)	(2,607,000)
Fair value of the defined benefit pension scheme assets	1,914,000	1,783,000
	<hr/>	<hr/>
Total	<u>(520,000)</u>	<u>(824,000)</u>

23. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	115,724	97,768
Between 1 and 5 years	45,472	144,336
	<hr/>	<hr/>
Total	<u>161,196</u>	<u>242,104</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the 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.

During the year the following related party transactions took place:

L Newlands, wife of Trustee G Wilson, provided accompanist services for the Academy Trust amounting to £475 (2017 - £76), no amounts were due at the year end.

From employment with the Academy Trust, V Gallagher, wife of Trustee N Gallagher, has been paid remuneration and benefits of £28,550 (2017 - £41,983), working reduced hours in 2018 than 2017. Employer's national insurance contributions paid in the year amounted to £2,224 (2017 - £3,478). No amounts were due at the year end.

The Southward Diocesan Board of Education, a member of the Academy Trust, provided education services (including advice and guidance on Admissions & Appeals, school governance, personnel, Church School effectiveness, ethos, management, standards & curriculum and buildings) to the Academy Trust amounting to £8,510 (2017 - £8,025). No amounts were due at the year end.

These transactions were conducted on normal commercial terms without the exercise of any influence by the related party involved. In entering into the above transactions the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.

25. 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.

