

Company Registration No. 08061075 (England and Wales)

**ST JOSEPH'S COLLEGE DELASALLE
(A COMPANY LIMITED BY GUARANTEE)**

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

ST JOSEPH'S COLLEGE DELASALLE

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ST JOSEPH'S COLLEGE DELASALLE

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees'

D. Garrido*
J Garner*#
Br. J Deeney
Br.. B Foy (Chair of Governing Body from 1/9/2018)
J Jacobs#
P Sweeney (Chair of Governing Body until 30/8/2018)*
R Gangadeen*
C. Stevens
W Doris #
S. Akinsanya
F. Chung* (resigned October 2017)
V.Kauschel *
P Hasan
S Tuohy (resigned January 2018)
G. Farrell
M. Fearnley
S. Horsman

* members of the Finance, Audit and HR Committee
#Trustee of the Brothers of the Christian Schools (DeLaSalle)

Members

W Doris
P. Sweeney
Br. G Hughes #
J. Jacobs
J. Garner

Senior leadership team

- Headmaster	D.Garrido(Accounting Officer)
- Deputy Head	S Miller
- Assistant Head	D Fryer
- Assistant Head	P Cook
- Assistant Head	T Olusamokun
- Assistant Head	G. Mantillas
- Assistant Head -	C. Kane (nee Maguire)
- Raising standards Leader	K. Woodburn
- Raising standards Leader	J. Henshaw
- Raising standards Leader	A. Derrington (resigned December 2017)
- Director of Development	S. Cabrera
- Finance Director	K Menys

Company Secretary

N Mohamed (Appointed 01 January 2017)

Company registration number

08061075 (England and Wales)

Registered office

Beulah Hill
London
SE19 3HL

Independent auditor

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

ST JOSEPH'S COLLEGE DELASALLE

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

HSBC
103 Streatham Hill
London SW2 4UE

Solicitors

Browne Jacobson LLP
44 Castle Gate
Nottingham NG1 7BJ

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees' present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

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

The principal activity of the company is the operation of a state-funded Academy, St. Joseph's College, providing a state education for students aged 11 to 18. It has a pupil capacity of 900 11-16 year olds and 299 16-19 year olds. The school had a roll of 1029, recorded in the January 2018 census; 834 students in years 7 to 11 and 195 in the 6th Form.

Structure, governance and management

Constitution

The academy trust was incorporated as a company on 08 May 2012 and the predecessor school converted to academy status on 01 June 2012. 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 St. Joseph's College Delasalle Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as St. Joseph's College Delasalle.

Details of the Trustees who served during the year are included in the Reference and Administrative Details included at the front of these accounts.

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 or within one year if they cease to be a member.

Trustees' indemnities

During the year there were no indemnities given by the company to any third party on behalf of any of its trustees.

Method of recruitment and appointment or election of Governors

In accordance with the articles, the trustees of the charitable company are the governors. They are appointed as follows;

- up to twelve foundation Governors appointed by the Governors;
- up to two staff Governors elected by the staff;
- two parent Governors elected by parents;
- the Principal is an ex-officio Governor;
- one community governor
- one additional sponsored Governor
- additional Governors may be appointed by the Secretary of State.

In respect of those appointed by the governors, ((a), above) when a vacancy arises, the governors seek to make an appointment that would maximise the relevant skills and experience on the board as a whole.

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc.) to undertake their role as governors. The College has a Service Level Agreement with the LA to enable support and training throughout the year.

Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least three times a year and has seven committees;

- S48 Committee
- Personal Development, Behaviour & Welfare
- Finance, Audit and HR
- Teaching, Learning & Assessment
- Standards & Performance
- Chairs' Strategy

The Finance Committee also fulfils the functions of an Audit Committee

All committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Trustees delegate specific responsibilities to its committees, the activities of which are reported to and discussed at full Governing Body Meetings.

Day to day management of the company is undertaken by the Headmaster, supported by the Leadership Team.

The Headmaster is the Principal Accounting Officer and the Director of Finance is the Principal Finance Officer.

Arrangements for setting pay and remuneration of key management personnel

The Senior Leadership Team (SLT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as trustees. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Headmaster is set annually by the Pay Committee, having regards to performance against objectives set the previous year. Pay of other SLT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Headmaster. The pay and conditions policy adopted remains the same as that used by Croydon Council.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	0
1% - 50%	2
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

Total Cost of facility time	£3,931
Total Pay bill	£95,522
Percentage of the total pay bill spent on facility time	0.04%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours. calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100 195 days x 6.30 hours = 1228.50/100 x 5% facility time = 61.42 hours/£3931 = 1.61%.	1.61%
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Related Parties and other Connected Charities and Organisations

There are two Connected or Related Party relationships

One Governor – wife does education consultancy work for the College (Pupils First UK Ltd)
One Staff member – Mother has florist and occasionally provides flowers for the College

Objectives and activities

Objects and aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of St. Joseph's College, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

Objectives, strategies and activities

The main objectives during the year were:

- Improve Teaching and Learning in order to ensure higher level of progress and attainment made by all students and improve results at A Level and GCSE.
- Further increase numbers in the Sixth Form.
- Improving the progress of our most vulnerable groups is a particular objective, namely SEN, Black Caribbean, Pupil Premium and most able students.
- Offer a more inclusive curriculum by continuing in-house provision of vocational courses in Sport and Engineering.
- Introduce new technologies to improve teaching and learning.
- Successfully introduce the House system back into the College
- On-going improvement to classroom and sports facilities

Public benefit

In setting the objectives and planning the associated activities, Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

Strategic report

Achievements and performance

This academic year St Joseph's College achieved the highest grades ever recorded. The percentage of students attaining a 4+ in English and Maths at GCSE increased by 10% to 81%. In addition, the percentage securing a 5+ in English and Maths increased to 58%, a rise of 9% on 2016-2017 results. 26% of all grades awarded were 7-9 (A-A*), a rise of 5%. Over the same period the % of 7-9 grades nationally only increased by 0.5% to 20.3%. The college celebrated one student securing a 9 Grade across English Language, English Literature and Maths, making him one of 2,000 students to achieve this nationally. Nationally, only 278 boys secured a full set of 9 grades across new GCSE courses and one of our students came close to achieving this securing 6 Grade 9s, 1 Grade 8, 2A*s and an A* Hat in Further Maths. Over 6 students attained eight or more 7-9 Grades (A-A*) across their GCSEs. As a result of the increase in attainment the attainment 8 figure increased by 4.49 points to 53.19. Progress at the college also increased with a (provisional) Progress 8 figure of 0.31, a rise from the 0.13 secured in the last academic year. All ability groups (high, middle and low) secured a positive Progress 8 figure as did all ethnic groups. As a percentage of the cohort who entered the Ebacc qualification, the percentage that achieved this at a 4+ increased by 29% to 78%.

A level results also experienced many positives with the average grade achieved increasing from a D+ to a C. As a result the average points scored increased per entry by 5.5 points. The value added for the cohort significantly improved on that of 2016-17. Value added improved from -0.36 to 0.0. 15 Academic subjects increased their value added over the academic year and 11 of 19 subjects have a positive value added. A*-A grades increased by 9% hence there has been an increase in the % of high grades. Also significantly the %A*-D increased by 14% in line with our goal of reducing E grades. Two students secured A*A*A in their examinations and 4 students secured straight A*/A Grades. The new Technical qualifications managed to maintain their average grade of a Distinction, despite a more challenging specification and exam component.

Key performance indicators

Solvency:

At the end of the accounting period the Current Assets: Current Liabilities ratio is 1.7:1 - this excludes the LGPS deficit, separately included on the balance sheet.

Income over Expenditure:

The general restricted funds have decreased by £58k in the year and general unrestricted funds have increased by £34k.

Cost Control measures:

Expenditure on staff and staff related costs against total revenue income was 78%. Expenditure on staffing has increased slightly compared to last year, this was due to the additional expenditure on agency staff, recruitment and agency fees. A new timetable model has reduced the number of teaching staff for 2017/18 together with other efficiency measures to enable a balanced budget. A reduction in LGPS employer contribution rates has continued to reduced support staff costs from April 2018.

Teaching costs for next year, include the uplift to all pay scales, based on prior information provided by the STPRB (School Teachers Pay Review Body). The recruitment remains difficult especially in core subjects, when good staff are recruited they are often demanding higher starting salaries than budgeted for. This is because they have usually had multiple offers.

As it stands it is for school leaders and governing bodies to implement these changes to the national pay framework in accordance with their pay policies and within the funding available. The College has managed to set a balanced budget over the next three years but finances remain very tight. Staff retention is a focus for the forthcoming year.

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant -GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as 'Other' government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August;

Fund	Category	2018 £'000	2017 £'000
GAG	Restricted General Funds	22	92
Other DfE/ESFA Grants	Restricted General Funds	47	45
Other Income	Restricted General Funds	<u>15</u>	<u>5</u>
Sub-total	General Restricted Funds	84	142
Unspent Capital Grants	Restricted Fixed Asset Fund	46	389
Other Income	Unrestricted General Fund	<u>59</u>	<u>25</u>
Sub-Total	Spendable Funds	189	556
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	138	181
Share of LGPS Deficit	Restricted Pension Reserve	<u>(973)</u>	<u>(1,028)</u>
Total	All Funds	<u>(646)</u>	<u>(291)</u>

During the year under review, there was a surplus/(deficit) of £(58k) (2017 : £1k) on general restricted funds, a surplus/(deficit) of £34k (2017 : £(20k)) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall movement of funds being a net surplus/(deficit) of £(355k) (2017 : £864k).

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

Reserves policy

The principal policy on reserves is that accumulation of unspent GAG balances should not breach any limits thereon set out in the Funding agreement. The level of general reserves should never be in deficit. No official reserves policy exists. The average annual amount generated by the school from hire of facilities is £126k (2017: £117k) and is used to balance/augment the budget and provide additional learning resources for students. Private funds, generated through lettings, maintains an average balance of £120k (2017: £100k), these are unrestricted funds. 66% (2017: 80%) of these funds have been used to maintain the building, contribute towards energy costs and other commitments. The remaining balance is held in reserve to match the funds generated annually through educational activities. The ratio of general restricted reserves to annual operating restricted fund expenditure in this accounting period was 1.3% (2017: 2.1%).

A School Fund is maintained consisting of donations from parents and is solely used to provide additional resources for students.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Each year the Governors review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

Investment policy and powers

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

Principal risks and uncertainties

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

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

The principal financial risk faced by the company is that on-going pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Governors of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Our fundraising practices

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters and via students.

ST JOSEPH'S COLLEGE DELASALLE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

Plans for future periods

The main objectives for the coming year are:

- Develop marketing strategy for the College at every level.
- Increase student performance across all groups and further improve GCSE and A Level results.
- Continue work with neighbouring schools to increase numbers in our 6th form.
- Continue work with neighbouring schools to benefit from economies of scale on large contracts.
- Develop sporting facilities to increase revenue for the school.
- Continue to develop lettings opportunities.
- Continued development of after school classes for music and sport to target less privileged students.
- Continue to bid for capital funding to improve current facilities.
- Progress Strategic Premises Development Plan
- Develop Strategic Integrated Curriculum and Finance plan

Funds held as custodian Trustee on behalf of others

The academy trust is not acting as custodian for any other external body.

Auditor

In so far as the Governors are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2018 and signed on the Board's behalf by:


.....
Br. B Foy
Chair of Trustees

ST JOSEPH'S COLLEGE DELASALLE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that St Joseph's College Delasalle 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 Headmaster, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Joseph's College Delasalle and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	Meetings attended	Out of possible
D. Garrido (Headmaster and Accounting Officer)	4	4
W Doris	4	4
J Garner	3	4
Br. L Hughes (Br. J. Deeney)	4	4
Br. B Foy	4	4
J Jacobs	4	4
P Sweeney (Chair of Governing Body)	4	4
R Gangadeen	1	4
C. Stevens	3	4
S. Akinsanya	2	4
V.Kauschel	3	4
P. Hassan	2	4
S. Tuohy (resigned Jan 2018)	1	2
M. Fearnley (appointed May 2018)	1	1
M. Farrell (appointed March 2018)	0	2

Governance reviews:

- Self-evaluation forms are completed annually; governors are directed to the committee that best utilises their skills.
- The Chair evaluated the competency matrix and re-organised the committees accordingly in September 2017.

Attendance at meetings of the Finance, Audit & HR Committee in the year was as follows:

Trustees	Meetings attended	Out of possible
D. Garrido -Headmaster	3	3
P. Sweeney (Chair of Governors)	3	3
R. Gangadeen	2	3
J. Garner	3	3
V. Kauschel	3	3

ST JOSEPH'S COLLEGE DELASALLE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

College maintenance and decorating work continues on a cyclical basis. The appearance of the majority of the teaching areas are much improved. A planning schedule will be maintained throughout the year to continue improvements. Investment in the canteen has seen great improvement to this facility, the space is now adequate to accommodate all the students and new space saving furniture, streamlining of the traffic flow and bag storage area has reduced crowding and improved the environment enormously.

The fire alarm replacement system was completed in August 2018. A bid to replace the Hall/Science Block and Swimming Pool roof, as well as the boilers was unsuccessful this year. These bids will be submitted in the coming year and remains an urgent priority as this is deteriorating rapidly. We have been successful in obtaining a Salix loan to improve energy efficiency, but have not received any funding in this respect in this financial year.

Lettings income remains steady; the swimming pool is now booked to capacity. A new website has links to our facilities available for hire. A drive to further increase bookings for our sports hall remains a priority. The main hall is now rented by a church group every Sunday. We have received interest in the hire of our football pitches for the forthcoming season. A new interim grounds maintenance contract is in place at a reduced annual rate. We have also received a donation for the refurbishment of a small gym from the St. Joseph's Old Boys Association. Work will commence early next term.

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 St Joseph's College Delasalle for the year ended 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 year ended 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 Governors;
- regular reviews by the finance and audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- Identification and management of risks.

ST JOSEPH'S COLLEGE DELASALLE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The Governing Body are satisfied that the RO function has been fully delivered in line with the agreed programme of work and is furnished with quarterly reports undertaken by an independent financial advisor who carries out a rolling programme of checks on:

- Payroll - reconciliation and employee's salary details
- Banking reconciliation
- Ordering & invoicing processes
- Petty cash
- Cash flow
- Budget monitoring
- Month end statement signed by the Accounting Officer

These reports are circulated to the GB quarterly any recommendations are reviewed at the next meeting. There have been no findings that have given cause for concern throughout the year. The independent RO function meets the requirements for the Accounting Officer's Statement on Regularity, Propriety and Compliance.

Review of effectiveness

As accounting officer the Headmaster 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 Responsible Officer
- the work of the External Auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy 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 Audit, Finance and HR 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 11 December 2018 and signed on its behalf by:



D Garrido
Accounting Officer



Br. B Foy
Chair of Trustees

ST JOSEPH'S COLLEGE DELASALLE

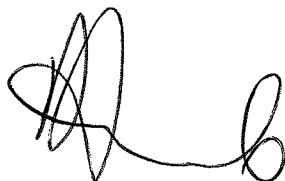
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of St Joseph's College Delasalle 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's 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.



D Garrido
Accounting Officer

11 December 2018

ST JOSEPH'S COLLEGE DELASALLE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees (who are also the directors of St Joseph's College Delasalle 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 in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 that 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 11 December 2018 and signed on its behalf by:



Br. B Foy
Chair of Trustees

ST JOSEPH'S COLLEGE DELASALLE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST JOSEPH'S COLLEGE DELASALLE

FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the Financial Statements of St Joseph's College Delasalle for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

Conclusions relating to going concern

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

- the 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 other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The Trustees are responsible for the other information. 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.

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.

ST JOSEPH'S COLLEGE DELASALLE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST JOSEPH'S COLLEGE DELASALLE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinions 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 incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 Trustees' responsibilities, the Trustees 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

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

ST JOSEPH'S COLLEGE DELASALLE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST JOSEPH'S COLLEGE DELASALLE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Use of our report

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



David John Walsh FCCA (Senior Statutory Auditor)

For and on behalf of Baxter & Co

Statutory Auditor

Chartered Certified Accountants

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 13 December 2018

ST JOSEPH'S COLLEGE DELASALLE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST JOSEPH'S COLLEGE DELASALLE AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 15 October 2012 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 St Joseph's College Delasalle during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Joseph's College Delasalle's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of St Joseph's College Delasalle's funding agreement with the Secretary of State for Education dated 1 June 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.9 of the Academies Financial Handbook 2017, issued by the ESFA.


ST JOSEPH'S COLLEGE DELASALLE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST JOSEPH'S COLLEGE DELASALLE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Conclusion

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



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 13 December 2018

ST JOSEPH'S COLLEGE DELASALLE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2018 £'000	Total 2017 £'000
Income and endowments from:						
Donations and capital grants	3	109	-	48	157	536
Charitable activities:						
- Funding for educational operations	4	-	5,919	-	5,919	6,657
Other trading activities	5	126	-	-	126	117
Total		<u>235</u>	<u>5,919</u>	<u>48</u>	<u>6,202</u>	<u>7,310</u>
Expenditure on:						
Raising funds	6	49	-	-	49	85
Charitable activities:						
- Grants	7	-	-	389	389	-
- Educational operations	8	152	6,139	56	6,347	6,983
Total	6	<u>201</u>	<u>6,139</u>	<u>445</u>	<u>6,785</u>	<u>7,068</u>
Net income/(expenditure)		34	(220)	(397)	(583)	242
Transfers between funds	16	-	(11)	11	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	228	-	228	622
Net movement in funds		34	(3)	(386)	(355)	864
Reconciliation of funds						
Total funds brought forward		<u>25</u>	<u>(886)</u>	<u>570</u>	<u>(291)</u>	<u>(1,155)</u>
Total funds carried forward		<u>59</u>	<u>(889)</u>	<u>184</u>	<u>(646)</u>	<u>(291)</u>

ST JOSEPH'S COLLEGE DELASALLE

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

FOR THE YEAR ENDED 31 AUGUST 2018

SUPPLEMENTARY NOTE: COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000
Income and endowments from:					
Donations and capital grants	3	105	-	431	536
Charitable activities:					
- Funding for educational operations	4	-	6,657	-	6,657
Other trading activities	5	117	-	-	117
Total		<u>222</u>	<u>6,657</u>	<u>431</u>	<u>7,310</u>
Expenditure on:					
Raising funds	6	85	-	-	85
Charitable activities:					
- Educational operations	8	157	6,716	110	6,983
Total	6	<u>242</u>	<u>6,716</u>	<u>110</u>	<u>7,068</u>
Net income/(expenditure)		(20)	(59)	321	242
Transfers between funds	16	-	(34)	34	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	622	-	622
Net movement in funds		(20)	529	355	864
Reconciliation of funds					
Total funds brought forward		45	(1,415)	215	(1,155)
Total funds carried forward		<u>25</u>	<u>(886)</u>	<u>570</u>	<u>(291)</u>

ST JOSEPH'S COLLEGE DELASALLE

BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		138		181
Current assets					
Debtors	13	118		280	
Cash at bank and in hand		348		705	
		<u>466</u>		<u>985</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(277)		(429)	
Net current assets			<u>189</u>		<u>556</u>
Net assets excluding pension liability			<u>327</u>		<u>737</u>
Defined benefit pension scheme liability	18		(973)		(1,028)
Total net assets			<u>(646)</u>		<u>(291)</u>
Funds of the Academy Trust:					
Restricted funds	16				
- Fixed asset funds			184		570
- Restricted income funds			84		142
- Pension reserve			(973)		(1,028)
Total restricted funds			<u>(705)</u>		<u>(316)</u>
Unrestricted income funds	16		<u>59</u>		<u>25</u>
Total funds			<u>(646)</u>		<u>(291)</u>

The Financial Statements on pages 20 to 42 were approved by the Trustees and authorised for issue on 11 December 2018 and are signed on their behalf by:



Br. B Foy
Chair of Trustees

Company Number 08061075

ST JOSEPH'S COLLEGE DELASALLE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £'000	£'000	2017 £'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	19		(394)		(140)
Cash flows from investing activities					
Capital grants from DfE Group		23		431	
Capital funding received from sponsors and others		25		-	
Purchase of tangible fixed assets		(11)		(34)	
Net cash provided by investing activities			<u>37</u>		<u>397</u>
Net (decrease)/increase in cash and cash equivalents in the reporting period			(357)		257
Cash and cash equivalents at beginning of the year			<u>705</u>		<u>448</u>
Cash and cash equivalents at end of the year			<u><u>348</u></u>		<u><u>705</u></u>

ST JOSEPH'S COLLEGE DELASALLE

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), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

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 Financial Statements 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.

St Joseph's College Delasalle meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

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

Computer equipment	33.33% Straight Line
Fixtures, fittings & equipment	10% - 20% Straight Line
Motor vehicles	20% Straight Line

The Land and Buildings occupied by the Academy are not valued as they are not owned or occupied under a long term lease.

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

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

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

1.10 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded 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.

1.11 Fund accounting

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

1.12 Agency arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 23.

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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.

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Capital donations	-	25	25	-
Capital grants	-	23	23	431
Other donations	109	-	109	105
	<u>109</u>	<u>48</u>	<u>157</u>	<u>536</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	5,292	5,292	6,017
Other DfE group grants	-	292	292	298
	<u>-</u>	<u>5,584</u>	<u>5,584</u>	<u>6,315</u>
Other government grants				
Local authority grants	-	148	148	130
	<u>-</u>	<u>148</u>	<u>148</u>	<u>130</u>
Other funding				
Other incoming resources	-	187	187	212
	<u>-</u>	<u>187</u>	<u>187</u>	<u>212</u>
Total funding	<u>-</u>	<u>5,919</u>	<u>5,919</u>	<u>6,657</u>

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Hire of facilities	126	-	126	117
	<u>126</u>	<u>-</u>	<u>126</u>	<u>117</u>

6 Expenditure

	Staff costs £'000	Non Pay Expenditure		Total 2018 £'000	Total 2017 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	9	-	40	49	85
Academy's educational operations					
- Direct costs	4,105	44	737	4,886	5,319
- Allocated support costs	753	520	188	1,461	1,664
Grants - support costs	-	389	-	389	-
	<u>4,867</u>	<u>953</u>	<u>965</u>	<u>6,785</u>	<u>7,068</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

6 Expenditure

Net income/(expenditure) for the year includes:	2018 £'000	2017 £'000
Fees payable to auditor for:		
- Audit	8	9
- Other services	7	5
Operating lease rentals	23	26
Depreciation of tangible fixed assets	54	68
Net interest on defined benefit pension liability	26	32

Included within expenditure are the following transactions:

	2018 £
Gifts made by the Academy Trust - total	123

Clarification - While the majority of disclosures in these accounts are rounded to £'000, disclosure of gifts made are not. The value of gifts for the year are £123 (and not £123k).

7 Analysis of grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Improvements to diocesan property occupied by the Academy Trust	-	389	389	-

Included in expenditure is £389k relating to a fire alarm replacement project which was funded by a CIF capital grant awarded to the academy trust in the previous year.

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Direct costs				
Educational operations	152	4,734	4,886	5,319
Support costs				
Educational operations	-	1,850	1,850	1,664
	<u>152</u>	<u>6,584</u>	<u>6,736</u>	<u>6,983</u>
Analysis of costs			2018	2017
			£'000	£'000
Direct costs				
Teaching and educational support staff costs			4,105	4,538
Staff development			28	17
Depreciation			44	54
Technology costs			70	90
Educational supplies and services			290	263
Examination fees			111	135
Educational consultancy			146	114
Other direct costs			92	108
			<u>4,886</u>	<u>5,319</u>
Support costs				
Support staff costs			606	610
Defined benefit pension scheme - staff costs (FRS102 adjustment)			147	62
Depreciation			10	14
Technology costs			15	2
Maintenance of premises and equipment			566	290
Cleaning			152	155
Energy costs			29	150
Rent, rates and other occupancy costs			88	96
Insurance			64	66
Security and transport			-	5
Catering			65	71
Defined benefit pension scheme - finance costs (FRS102 adjustment)			26	32
Other support costs			67	97
Governance costs			15	14
			<u>1,850</u>	<u>1,664</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

Staff costs

Staff costs during the year were:

	2018 £'000	2017 £'000
Wages and salaries	3,567	3,858
Social security costs	350	398
Pension costs	524	618
Defined benefit pension scheme - staff costs (FRS102 adjustment)	147	62
	<u>4,588</u>	<u>4,936</u>
Staff costs	4,588	4,936
Agency staff costs	270	263
Staff restructuring costs	9	11
	<u>4,867</u>	<u>5,210</u>

Staff restructuring costs comprise:

Redundancy payments	-	11
Severance payments	9	-
	<u>9</u>	<u>11</u>

Non statutory/non-contractual staff severance payments

Staff restructuring costs above relates to one contractual payment made during the year.

Staff numbers

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

	2018 Number	2017 Number
Teachers	69	75
Administration and support	43	48
Management	11	13
	<u>123</u>	<u>136</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2018 Number	2017 Number
Teachers	69	70
Administration and support	34	33
Management	11	13
	<u>114</u>	<u>116</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

Higher paid staff

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

	2018 Number	2017 Number
£60,000 - £70,000	4	1
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £929k.

10 Trustees' remuneration and expenses

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

The value of Trustees' remuneration and other benefits was as follows:

Mr M V David Garrido (Headteacher):

- Remuneration: £105,000 - £110,000 (2017: £100,000 - £105,000)
- Employer's pension contributions: £15,000 - £20,000 (2017: £15,000 - £20,000)

Mrs C Stevens (Staff Governor):

- Remuneration: £30,000 - £35,000 (2017: £25,000 - £30,000)
- Employer's pension contributions: £5,000 - £10,000 (2017: £5,000 - £10,000)

During the year, expenses payments totalling £1,909 (2017: £1,472) were reimbursed or paid directly to 2 Trustees in respect of costs incurred in the performance of their duties of employment (2017: 2 Trustees).

Other related party transactions involving the Trustees are set out within the related parties note.

11 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 Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2018 was £1,344 (2017: £1,344). The cost of this insurance is included in the total insurance cost.

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

12 Tangible fixed assets	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2017	245	254	12	511
Additions	-	11	-	11
At 31 August 2018	<u>245</u>	<u>265</u>	<u>12</u>	<u>522</u>
Depreciation				
At 1 September 2017	210	114	6	330
Charge for the year	25	27	2	54
At 31 August 2018	<u>235</u>	<u>141</u>	<u>8</u>	<u>384</u>
Net book value				
At 31 August 2018	<u>10</u>	<u>124</u>	<u>4</u>	<u>138</u>
At 31 August 2017	<u>35</u>	<u>140</u>	<u>6</u>	<u>181</u>

The Academy occupies the Land and Buildings at Beulah Hill, London, SE19 3HL, under the terms of a licence to occupy from the Trustees of the Brothers of the Christian Schools (De La Salle).

The Trustees of the academy trust have considered carefully the requirements of and guidance notes within the Academies Accounts Direction 2017 to 2018 issued by the ESFA. They have concluded that, taking into account the rights and obligations placed upon the academy trust by the licence to occupy, the substance of the arrangement is not materially different to its legal form. Accordingly they have concluded that it would be misleading to recognise the academy's right to occupy its buildings as a fixed asset on its balance sheet.

13 Debtors	2018 £'000	2017 £'000
Trade debtors	2	-
VAT recoverable	18	7
Prepayments and accrued income	98	273
	<u>118</u>	<u>280</u>
14 Creditors: amounts falling due within one year	2018 £'000	2017 £'000
Other taxation and social security	92	98
Accruals and deferred income	185	331
	<u>277</u>	<u>429</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

15	Deferred income			2018 £'000	2017 £'000	
	Deferred income is included within:					
	Creditors due within one year			-	8	
				<u> </u>	<u> </u>	
	Deferred income at 1 September 2017			8	20	
	Released from previous years			(8)	(20)	
	Resources deferred in the year			-	8	
				<u> </u>	<u> </u>	
	Deferred income at 31 August 2018			<u> </u>	<u> </u>	
16	Funds	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
	Restricted general funds					
	General Annual Grant (GAG)	92	5,292	(5,351)	(11)	22
	Other DfE / ESFA grants	-	10	(10)	-	-
	Pupil premium	45	282	(280)	-	47
	Other government grants	-	148	(148)	-	-
	Other restricted funds	5	187	(177)	-	15
	Pension reserve	(1,028)	-	(173)	228	(973)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		(886)	5,919	(6,139)	217	(889)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Restricted fixed asset funds					
	DfE group capital grants	522	23	(414)	-	131
	Capital expenditure from GAG and other funds	48	-	(29)	11	30
	Private sector capital sponsorship	-	25	(2)	-	23
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		570	48	(445)	11	184
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Total restricted funds	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		(316)	5,967	(6,584)	228	(705)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds					
	General funds	25	235	(201)	-	59
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Total funds	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		(291)	6,202	(6,785)	228	(646)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

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

The Restricted Fixed Asset Fund represents investment in fixed assets, net of related depreciation. Unspent capital grants are also held in this fund and their use is restricted to the capital projects for which the grant was paid.

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

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant (GAG)	54	6,017	(5,979)	-	92
Other DfE / ESFA grants	-	1	(1)	-	-
Pupil premium	-	297	(252)	-	45
Other government grants	-	130	(130)	-	-
Other restricted funds	87	212	(260)	(34)	5
Pension reserve	(1,556)	-	(94)	622	(1,028)
	<u>(1,415)</u>	<u>6,657</u>	<u>(6,716)</u>	<u>588</u>	<u>(886)</u>
Restricted fixed asset funds					
DfE group capital grants	158	431	(67)	-	522
Capital expenditure from GAG and other funds	57	-	(43)	34	48
	<u>215</u>	<u>431</u>	<u>(110)</u>	<u>34</u>	<u>570</u>
Total restricted funds	<u>(1,200)</u>	<u>7,088</u>	<u>(6,826)</u>	<u>622</u>	<u>(316)</u>
Unrestricted funds					
General funds	45	222	(242)	-	25
Total funds	<u>(1,155)</u>	<u>7,310</u>	<u>(7,068)</u>	<u>622</u>	<u>(291)</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	54	11,309	(11,330)	(11)	22
Other DfE / ESFA grants	-	11	(11)	-	-
Pupil premium	-	579	(532)	-	47
Other government grants	-	278	(278)	-	-
Other restricted funds	87	399	(437)	(34)	15
Pension reserve	(1,556)	-	(267)	850	(973)
	<u>(1,415)</u>	<u>12,576</u>	<u>(12,855)</u>	<u>805</u>	<u>(889)</u>
Restricted fixed asset funds					
DfE group capital grants	158	454	(481)	-	131
Capital expenditure from GAG and other funds	57	-	(72)	45	30
Private sector capital sponsorship	-	25	(2)	-	23
	<u>215</u>	<u>479</u>	<u>(555)</u>	<u>45</u>	<u>184</u>
Total restricted funds	<u>(1,200)</u>	<u>13,055</u>	<u>(13,410)</u>	<u>850</u>	<u>(705)</u>
Unrestricted funds					
General funds	<u>45</u>	<u>457</u>	<u>(443)</u>	<u>-</u>	<u>59</u>
Total funds	<u>(1,155)</u>	<u>13,512</u>	<u>(13,853)</u>	<u>850</u>	<u>(646)</u>

17 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	138	138
Current assets	59	361	46	466
Creditors falling due within one year	-	(277)	-	(277)
Defined benefit pension liability	-	(973)	-	(973)
Total net assets	<u>59</u>	<u>(889)</u>	<u>184</u>	<u>(646)</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	181	181
Current assets	25	571	389	985
Creditors falling due within one year	-	(429)	-	(429)
Defined benefit pension liability	-	(1,028)	-	(1,028)
Total net assets	25	(886)	570	(291)

18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 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' 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.

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.

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

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 the TPS in the period amounted to £403k (2017: £463k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded 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 pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.70% for employers and a range from 5.5% to 12.5% for employees.

In addition to the above, lump sum payments are made by the employer so as to reduce the deficit over an agreed manageable period of time.

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

Total contributions made	2018	2017
	£'000	£'000
Employer's contributions	152	171
Employees' contributions	44	39
Total contributions	<u>196</u>	<u>210</u>

Principal actuarial assumptions	2018	2017
	%	%
Rate of increase in salaries	2.9	2.9
Rate of increase for pensions in payment/inflation	2.4	2.4
Discount rate for scheme liabilities	<u>2.7</u>	<u>2.4</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

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

	2018 Years	2017 Years
Retiring today		
- Males	22.3	22.3
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.0	24.0
- Females	26.2	26.2

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as follows;

If the real discount rate were to decrease by 0.5%, the approximate increase to the Employer liability would be 9%, £243k (2017; 10%, £219k).

If the salary increase rate were to increase by 0.5%, the approximate increase to the Employer liability would be 1%, £27k (2017; 2%, £29k).

If the pension increase rate were to increase by 0.5%, the approximate increase to the Employer liability would be 8%, £213k (2017; 8%, £187k).

Defined benefit pension scheme net liability

Scheme assets	1,593	1,332
Scheme obligations	(2,566)	(2,360)
Net liability	(973)	(1,028)

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

	2018 Fair value £'000	2017 Fair value £'000
Equities	1,131	919
Bonds	255	226
Property	191	147
Other assets	16	40
Total market value of assets	1,593	1,332

The actual return on scheme assets was £119,000 (2017: £(66,000)).

ST JOSEPH'S COLLEGE DELASALLE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2018	2017
	£'000	£'000
Current service cost	299	233
Interest income	(34)	(26)
Interest cost	60	58
	<u>325</u>	<u>265</u>

Changes in the present value of defined benefit obligations	2018
	£'000
At 1 September 2017	2,360
Current service cost	299
Interest cost	60
Employee contributions	44
Actuarial gain	(143)
Benefits paid	(54)
	<u>2,566</u>
At 31 August 2018	<u>2,566</u>

Changes in the fair value of the Academy Trust's share of scheme assets	2018
	£'000
At 1 September 2017	1,332
Interest income	34
Actuarial (gain)/loss	85
Employer contributions	152
Employee contributions	44
Benefits paid	(54)
	<u>1,593</u>
At 31 August 2018	<u>1,593</u>

ST JOSEPH'S COLLEGE DELASALLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Reconciliation of net (expenditure)/income to net cash flow from operating activities	2018	2017
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(583)	242
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(48)	(431)
Defined benefit pension costs less contributions payable	147	62
Defined benefit pension net finance cost	26	32
Depreciation of tangible fixed assets	54	68
Decrease/(increase) in debtors	162	(146)
(Decrease)/increase in creditors	(152)	33
Net cash used in operating activities	<u>(394)</u>	<u>(140)</u>

20 Commitments under operating leases

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

	2018	2017
	£'000	£'000
Amounts due within one year	22	23
Amounts due in two and five years	15	38
	<u>37</u>	<u>61</u>

21 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 10.

22 Members' liability

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

23 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2018 the Trust received £26,556 (2017: £25,080) and disbursed £26,556 (2017: £35,738) from the fund. An amount of £nil (2017: £nil) is included within creditors: amounts falling due in less than one year relating to undistributed funds.