

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**CONTENTS**

	Page
<b>Reference and Administrative Details</b>	1
<b>Trustees' Report</b>	2 - 9
<b>Governance Statement</b>	10 - 12
<b>Statement on Regularity, Propriety and Compliance</b>	13
<b>Statement of Trustees' Responsibilities</b>	14
<b>Independent Auditors' Report on the Financial Statements</b>	15 - 16
<b>Independent Reporting Accountant's Assurance Report on Regularity</b>	17 - 18
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	19
<b>Balance Sheet</b>	20
<b>Statement of Cash Flows</b>	21
<b>Notes to the Financial Statements</b>	22 - 39

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2017**

<b>Members</b>	Right Reverend A Williams The Brentwood Diocesan Trust Sr Sheila Sumner
<b>Trustees</b>	Mr D P Weatherhead, Foundation Governor Mr S C Waters, Vice Chair of Governors, Foundation Governor Abbot H Allan, Foundation Governor Mr J Donaldson, Foundation Governor (resigned 12 February 2017) Mr T Reilly, Foundation Governor Mrs P Barningham, Headteacher Mr J Lager, Parent Governor (resigned 20 June 2017) Mr N Clark, Foundation Governor Mr A Day, Parent Governor Mr P Wilson, Foundation Governor Mrs A Comerford, Foundation Governor Mrs L Young, Staff Governor Sr Sheila Sumner, Co-opted Governor, Chair of Governors Mrs J Vernon, Staff Governor (appointed 4 October 2016)
<b>Company registered number</b>	08020070
<b>Company name</b>	Our Lady Immaculate Catholic Primary School
<b>Registered and principal office</b>	New London Road Chelmsford Essex CM2 0RG
<b>Accounting Officer</b>	Mrs P Barningham
<b>Senior Leadership Team</b>	Mrs Paula Barningham, Headteacher & Accounting Officer Mr Barry Owens, Deputy Headteacher Mrs Ursula Reilly, Business Manager Mrs Louise Young, Curriculum Leader Mrs Lesley Roche, Teaching and Learning Leader (Resigned 31/12/2016) Mrs Mary Owens, Inclusion Manager
<b>Independent Auditors</b>	Price Bailey LLP Chartered Accountants Causeway House Dane Street Bishops Stortford Hertfordshire CM23 3BT

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Our Lady Immaculate Catholic Primary School (the Academy, The Trust or the Charitable Company) for the year ended 31 August 2017. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an Academy School for pupils aged 5-11 serving a catchment area in Chelmsford. It has a pupil capacity of 218 and had a roll of 218 in the 2017 school census.

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

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Our Lady Immaculate Catholic Primary School (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

### **Members' Liability**

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

### **Trustees and Officers' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and details of the costs are disclosed in Note 10 to the accounts.

### **Method of Recruitment and Appointment or Election of Trustees**

The arrangements for recruiting and appointing Trustees are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 14 Trustees (2 Parents, 2 Staff – Teaching, 1 Staff non-teaching, 9 others plus the Headteacher). Additional Trustees may be appointed under Articles 59, 62, 62A, 63 and 68A.

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme of continued professional development led by School staff and links with a number of local training providers.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chairman of Trustees and Headteacher or Deputy Headteacher. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

### **Organisational Structure**

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 3 occasions per year and each individual committee at least 3 times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

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

Key management personnel include Academy Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size; Individual Salary Range; the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

#### **Related Parties and other Connected Charities and Organisations**

Owing to the nature of the Trust's operations and the composition of its Board and Trustees being drawn from local, public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle in the Academies Financial Handbook.

The Rt. Revd. Dr. Alan Williams SM took office as the 7th Bishop of Brentwood on 1st July 2014 and oversees the many Parishes, educational and other communities in the Brentwood Diocese.

Our pupils attend the joint Parishes of Our Lady Immaculate and Holy Name Churches, Chelmsford led by the Rt. Revd. Abbot Hugh Allan O.Praem and supported by the Revd. Stephen Morrison O.Praem.

Abbot Hugh Allan is also the Dean of Mid Essex and Superior of the Norbertine Community (Canons Regular of Prémontré, Ordo Praemonstratensis). He was appointed Apostolic Administrator of the Falkland Islands and Ecclesiastic Superior of St. Helena, Ascension Island and Tristan da Cunha in October 2016.

The Revd. Stephen Morrison is the School Chaplain, as well as the Assistant Priest in the Parish, supporting the delivery of the RE curriculum and spiritual and moral development of pupils, families and staff.

Sr. Sheila Sumner OSM, a Sister in the Servite Community is the Chair of Governors at Our Lady Immaculate Catholic Primary School.

Links and Action Plans with our S2S (School 2 School Support) group have grown stronger over the last year. We continue to work with our Central Essex Deanery partners currently involving: St John Payne Catholic Comprehensive School – Chelmsford, St Francis Catholic Primary School – Braintree, St Pius X Catholic Primary School – Chelmsford, St Francis Catholic Primary School – Maldon, Holy Family Catholic Primary School – Witham, The Bishops C of E and RC Primary School – Chelmsford and St Josephs – South Woodham Ferrers. In addition regular collaboration has taken place within the greater North and Mid-Essex Deanery regarding the formation in future of a Multi Academy Trust.

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Brentwood Diocese
- Our Lady Immaculate and Holy Name Parishes
- Deanery School to School Support group (S2S): St John Payne School, St Francis-Braintree, St Pius X, St Francis-Maldon, Holy Family-Witham, The Bishops, St Joseph - South Woodham Ferrers.
- Essex County Council
- Brentwood Catholic Children Society (BCCS)
- Legion of Mary
- Catholic Agency for Overseas Development CAFOD
- Samaritans Purse
- CHESS
- Marie Curie
- Cancer UK
- Farleigh Hospice
- The Oliver King Foundation
- The British Heart Foundation
- Macmillian Cancer Support
- Save the Children
- Children in Need
- Marie Curie
- Poppy Appeal
- GOSH
- Breast Cancer Now
- Guide Dogs for the Blind

The Trust does not have a formal sponsor.

### Objectives and Activities

#### Objects and Aims

The principal object and aim of the Academy is the operation of the School to provide free education and care for pupils of different abilities between the ages of 5 and 11.

#### Objectives, Strategies and Activities

During the year the School has worked towards these aims by:

- safeguarding and protecting children and learners from maltreatment;
- safeguarding and preventing impairment of children's and learners' health or development;
- safeguarding and ensuring that children and learners are growing up in circumstances consistent with the provision of safe and effective care;
- safeguarding and enabling children and learners to have optimum life chances;
- updating staff training in Safeguarding including PREVENT (radicalisation) and Physical Intervention and First Aid;
- providing a Catholic education for all its pupils, promoting Gospel Values and the teachings of the Catholic Church;
- establishing and embedding high quality teaching, learning and assessment;
- complying with all appropriate statutory and curriculum requirements;
- providing a full, connected and diverse curriculum as well as organise other activities to involve children in the world around them culturally and socially in local national and global settings;
- providing pastoral care for children and families;
- embedding extended school provision at the School;
- providing value for money for the funds expended;
- maintaining close links with our local Catholic parishes and the wider local, national and global community;
- conducting the Academy's business in accordance with the highest standards of integrity, probity and openness;
- engaging in planning and strategy with the Brentwood Diocese and the Local Authority to meet the needs of the local Catholic community with regards to nursery and school places;
- securing funding to improve the condition of our site with a partial roof replacement and associated works;
- securing funding to improve the safety of our site to ensure compliance with Fire Safety regulations and make much needed improvement to KS1 toilet facilities; and
- supporting Catholic families who face the challenges and pressures of modern life.

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

Our success in fulfilling our aims can be measured by:

- Academy popularity/admissions;
- test results and other progress indicators e.g. EYFS GLD, RAISEonline;
- staff performance management;
- financial health;
- stakeholder survey outcomes;
- Ofsted reports;
- developing links with local, national and global communities forging relationships;
- developing links with other educational establishments (S2S) and forging relationships; and
- achieving value for money with shared, cost effective training and shared practices.

### Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

### Strategic Report

#### Achievements and Performance

The Academy converted from Voluntary Aided status in May 2012 and is an over-subscribed Catholic school in the area.

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

#### Specific achievements were as follows:

Ensuring that all students achieve their potential through effective Early Years, Key Stages 1 and 2 provision.

Teacher assessment and test results for Reading, Writing and Maths show that pupil attainment and achievement has been consistently above local and national averages for over three years. Moreover, achievement for Reading, Maths, Writing and Grammar is significantly above National for pupils achieving above age related expectations.

Provisional Data (awaiting validated results)

KS2 2017		Reading	Writing	Maths	Grammar
Average scaled score		108	NA	106	106
At or above age related expectation	OLI	81%	78%	75%	69%
	Essex	Not available	Not available	Not available	Not available
	National	71%	76%	75%	77%
Above age related expectation	OLI	44%	28%	25%	38%
	Essex	Not available	Not available	Not available	Not available
	National	19% (2016)	15% (2016)	17% (2016)	23% (2016)

OFSTED 2017 identified that the School continues to be good in all judgements. Leaders and Governors have made great strides in addressing the areas for improvement from the previous inspection. There have been big improvements in the presentation of pupils' work, teachers use information about how well pupils are doing to set work that challenges and most parents say that there is now regular age-appropriate homework.

Procedures for keeping pupils safe are secure. The Headteacher and other Leaders ensure that all safeguarding procedures are robust and fit for purpose. Pupils have a safe environment in which to learn.

The Academy continues a process of self-evaluation and is putting into place the necessary plans and strategies to continue to move forward to become outstanding.

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

### Going Concern

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

### Key Performance Indicators

Key financial performance indicators

The Trustees receive financial information to enable them to monitor the financial performance of the Academy. The following are the key indicators used:

- maintain a working capital ratio of at least 1:1 to ensure sufficient assets are available to cover short term debts;
- maintain operating surplus to provide a sufficient reserves for unexpected expenditure;
- monitor the current reserves and contingency fund;
- total payroll as a % of GAG income;
- % payroll split teaching: support; and
- pupil : teacher ratio.

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2017 were 218 against a forecast of 218.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2016/17 this was 73%. The Trustees are confident that staffing levels are closely monitored to agreed full time equivalent and staffing structures all approved by the Board.

The Finance and Premises Committee also monitor premises costs to General Annual Grant (GAG) income; capitalisation spend for curriculum departments to GAG income; and total income less grants and cash flow on a regular basis, to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

### Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2017 the Trust received £1,079,186 of GAG and other income (excluding capital funding and donations in kind). A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £1,152,230 on general running costs (excluding CIF project expenditure, depreciation and notional rent) and transferred £3,590 to support capital new build and improvement projects on the School site. The Academy brought forward from 15/16, £161,700 restricted funds and £194,239 unrestricted funding. The carry forward for 16/17 is £12,601 restricted funding and £188,704 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £768,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

### Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £188,704. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees have made a decision to designate unrestricted balances of £10,000 for future capital projects, and is holding other unrestricted funds of £178,704 to cover future increases in costs and expenditure that may arise from uninsurable losses. The Trust holds 10% of GAG for in year contingencies and always plans to have a carry forward of 10% of GAG to assist the Trustees in making strategic decisions to keep in line with national funding changes and curriculum needs.

The Trust's balance on restricted general funds (excluding pension reserve and donation in kind) plus the balance on unrestricted funds at 31 August 2017 was £201,305.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £286,726. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee Business Manager reports and attempt to hold a minimum of £100,000 to cover short term cash flow variances.

### Investment Policy

An Investment Policy was approved by the Board of Trustees and is reviewed annually.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

The Trustees' Finance Committee aims to manage the cash balances of The School to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Finance Committee aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is an absolute minimum risk to the loss of these cash funds.

### Purposes

- to ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements;
- to minimise the risk of loss in the capital value of any cash funds invested;
- to protect, as far as possible, the capital value of any invested funds against inflation; and
- to optimise returns on invested funds.

### Principal Risks and Uncertainties

The Trustees assess the principal risks and uncertainties facing the Trust as follows:

- Staff retention and recruitment: the quality of staff (both teaching and support) is crucial in sustaining the high achievements of the School. The recruitment of potentially good and outstanding teachers remains a challenge. An important factor in addressing this risk is the School's emphasis on high quality, personalised professional development for all staff.
- Student rolls: the School has been oversubscribed at Early Year Foundation Stage (EYFS) for many years and there is every sign of this continuing.
- Lack of Catholic places at Our Lady Immaculate School for those parishioners who faithfully attend the joint Parishes or Our Lady Immaculate and Holy Name Churches. The inability to expand the School due to financial or planning constraints when there is such a great demand for Catholic school places in Chelmsford.
- Budget constraints: we continue to operate in a period of constrained public spending on education. Increased emphasis (OFSTED) is placed upon the breadth of the school curriculum provision.
- Material decrease in income affecting provision. The combined budget for 2017-18 includes a planned carry-forward from 16/17. Uncertainty however, of future Education budgets is a concern.
- Bank balances and investments: there is no significant risk other than an institution ceasing to trade.
- Debtors there are no material debtors.
- The Academy's credit rating is not in jeopardy, though it has no need for credit facilities.
- The Academy's cash flow is healthy and long-term financial planning predicts it will remain so.
- The government agenda for Multi Academy Trusts offers both opportunities, risks and uncertainties and is being reviewed and monitored by the Board.

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on a termly basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance meeting. The principal risks facing the Trust are outlined below; those facing the School at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of recruitment and monitoring of staff, the operation of child protection policies and procedures, health & safety and behaviour management;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Academy has appointed Education Finance Support Team – EES for Schools to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

#### Plans for Future Periods

The Academy will continue to strive to improve the levels of attainment of children at all levels. Whilst promoting excellence and encouraging everyone to fulfil their potential, all partners are actively involved in the life of the School and work together to drive the School forward through an aspirational School Development Plan.

Innovative connected curriculum development and strategic resourcing will provide opportunities for practical first hand learning to improve standards for all groups of children. In a constantly evolving educational landscape, with values rooted in the teaching of Jesus Christ, we have the freedom to be at the forefront of development while remembering our responsibilities.

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

As part of a long term strategy, we are looking to meet the needs of the local community for desired Catholic Education. Currently there are insufficient places for the joint Parishes of Our Lady Immaculate and Holy Name that feed into our School. For Trustees to work with the joint Parishes, Brentwood Diocese and Local Authority to ensure that Catholic needs and Faith ratios are met.

Our Lady Immaculate aims to meet the needs of the local community for desired Catholic Nursery provision by Trustees working with the Brentwood Diocese and Local Authority Planning Officers to meet this need and requirement to provide faith places.

Our Lady Immaculate will continue to work collaboratively with the Diocesan Catholic schools in the Brentwood Diocese to forge more formal links with Catholic school communities within our Deanery. This is currently in the form of a School to School Support group (S2S), working towards a more formal collaboration to achieve the formation of a Multi Academy Trust, under the direction of the Brentwood Diocese.

#### **Auditor**

Insofar as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 22 November 2017 and signed on the Board's behalf by:

**Sr S Sumner**  
**Chair of Governors**

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## GOVERNANCE STATEMENT

### SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Our Lady Immaculate Catholic Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr D P Weatherhead	3	3
Mr S C Waters	3	3
Abbot H Allan	1	3
Mr J Donaldson	0	1
Mr T Reilly	3	3
Mrs P Barningham	3	3
Mr J Lager	2	3
Mr N Clark	3	3
Mr A Day	3	3
Mr P Wilson	2	3
Mrs A Comerford	3	3
Mrs L Young	3	3
Sr Sheila Sumner	3	3
Mrs J Vernon	3	3

Sr. Sheila Sumner was elected Chair of Trustees in November 2016 replacing the former Chair of Trustees Abbot Hugh Allan. The Trustees carried out a self-evaluation of governance in October 2016, the Trustees reviewed the governance framework to evaluate and validate how it currently operates. This has led to a number of actions identified which are currently being progressed. The Trustees intend to conduct its next self-evaluation in October 2018.

The Premises, Health and Safety and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to address premises, health and safety and finance matters.

The committee has delegated powers to consider and make decisions in respect of the following functions of the Board of Trustees (Including the Audit Committee):

- school budget and financial management;
- management of School premises;
- health and safety; and
- School liaison.

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Sr S Sumner	3	3
Mr S C Waters	3	3
Mr D P Weatherhead	3	3
Mr A Day	3	3
Mr T Reilly	3	3
Mrs P Barningham	3	3
Mr N Clark	2	3

### REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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 Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

- Ensuring the recruitment and retainment of high calibre staff who share our school values, ethos and vision. Deploying staffing resources strategically to maximise their effectiveness at a time of budgetary constraints.
- Overseeing, developing and embedding the good practice of the extended school provision ('The Ark') at Our Lady Immaculate School. The School provides a structured, safe and happy environment for pupils outside of the school day. Supporting working families both practically and pastorally; this includes staff working at School as well as those families that require additional emotional and spiritual support.
- Ensuring the successful delivery of UIFSM with high daily uptake. The service provides excellent and nutritious meals which are delicious, meet statutory food requirements, is cost effective and supportive of Government policy. High demand achieves value for money and sets a trend for continued uptake at KS2, ensuring the service keeps within budget and is of a high standard. This successful service ensures that the vast majority of our pupils have access to a hot, nutritious meal on a daily basis.
- Ensuring that capital projects are completed on time and on budget – and that works are linked to our strategic plans, of a high standard and meet health and safety targets.

### THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Our Lady Immaculate Catholic Primary School for the year 1 September 2016 to 31 August 2017 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 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 ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### GOVERNANCE STATEMENT (continued)

#### THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint EES for Schools as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included three on-site visits during an academy's financial year, which are normally one visit each term. A standard programme of works includes governance and financial management, governance and financial reporting, governance and financial accounting, banking, payroll and expenses, income, expenditure and assets.

On a termly basis, the Internal Auditor reports to the Board of Trustees through the Premises, Health & Safety and Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Every recommendation made within the ICE report provided, post visit, is reviewed by the Finance Committee and responses agreed.

The Internal Auditor delivered their schedule of works as planned and no material control issues were identified.

#### REVIEW OF EFFECTIVENESS

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Premises, Health and Safety and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 22 November 2017 and signed on their behalf, by:

**Sr Sheila Sumner**  
Trustee

**Mrs P Barningham**  
Accounting Officer

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Our Lady Immaculate Catholic Primary School I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the 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 2016.

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.

**Mrs P Barningham**  
**Accounting Officer**

Date: 22 November 2017

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as Governors of Our Lady Immaculate Catholic Primary School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 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 the Board of Trustees on 22 November 2017 and signed on its behalf by:

**Sr Sheila Sumner**  
Trustee

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

### OPINION

We have audited the financial statements of Our Lady Immaculate Catholic Primary School (the "Academy") for the year ended 31 August 2017 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

### BASIS OF 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 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's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the 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.

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

#### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report (incorporating the Strategic Report and the Director's Report), for which the financial statements have been prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's 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 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 (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

Mr Gary Miller (Senior Statutory Auditor)  
for and on behalf of  
**Price Bailey LLP**  
Chartered Accountants and Statutory Auditors  
Causeway House, 1 Dane Street  
Bishops Stortford  
Hertfordshire  
CM23 3BT  
18 December 2017

## **OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

### **INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 17 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Our Lady Immaculate Catholic Primary School during the year 1 September 2016 to 31 August 2017 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 Our Lady Immaculate Catholic Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Our Lady Immaculate Catholic Primary School and the ESFA those matters we are required to state in a Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Our Lady Immaculate Catholic Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Our Lady Immaculate Catholic Primary School's funding agreement with the Secretary of State for Education dated 20 February 2012, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OUR LADY  
IMMACULATE CATHOLIC PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY  
(continued)**

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

**Price Bailey LLP**

Chartered Accountants

18 December 2017

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	-	109,558	6,464	116,022	258,142
Charitable activities	3	35,953	902,853	-	938,806	944,917
Other trading activities	4	81,629	-	-	81,629	63,132
Investments		193	-	-	193	390
<b>TOTAL INCOME</b>		<b>117,775</b>	<b>1,012,411</b>	<b>6,464</b>	<b>1,136,650</b>	<b>1,266,581</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		123,310	1,079,920	126,614	1,329,844	1,181,450
<b>TOTAL EXPENDITURE</b>	5	<b>123,310</b>	<b>1,079,920</b>	<b>126,614</b>	<b>1,329,844</b>	<b>1,181,450</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between funds	15	(5,535)	(67,509)	(120,150)	(193,194)	85,131
		-	(3,590)	3,590	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		(5,535)	(71,099)	(116,560)	(193,194)	85,131
Actuarial gains/(losses) on defined benefit pension schemes	20	-	95,000	-	95,000	(330,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>(5,535)</b>	<b>23,901</b>	<b>(116,560)</b>	<b>(98,194)</b>	<b>(244,869)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		194,239	(626,300)	150,851	(281,210)	(36,341)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>188,704</b>	<b>(602,399)</b>	<b>34,291</b>	<b>(379,404)</b>	<b>(281,210)</b>

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)  
REGISTERED NUMBER: 08020070**

**BALANCE SHEET  
AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	11		22,480		36,474
<b>CURRENT ASSETS</b>					
Debtors	12	175,568		186,245	
Cash at bank and in hand		286,726		429,652	
		<u>462,294</u>		<u>615,897</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	(91,678)		(132,081)	
<b>NET CURRENT ASSETS</b>			370,616		483,816
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>393,096</u>		<u>520,290</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14		(4,500)		(5,500)
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>			388,596		514,790
Defined benefit pension scheme liability	20		(768,000)		(796,000)
<b>NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES</b>			<u>(379,404)</u>		<u>(281,210)</u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	15	165,601		169,700	
Restricted fixed asset funds	15	34,291		150,851	
		<u>199,892</u>		<u>320,551</u>	
Restricted income funds excluding pension liability		199,892		320,551	
Pension reserve		(768,000)		(796,000)	
		<u>(568,108)</u>		<u>(475,449)</u>	
Total restricted income funds			(568,108)		(475,449)
Unrestricted income funds	15		188,704		194,239
<b>TOTAL DEFICIT</b>			<u>(379,404)</u>		<u>(281,210)</u>

The financial statements on pages 19 to 39 were approved by the Trustees, and authorised for issue, on 22 November 2017 and are signed on their behalf, by:

**Sr Sheila Sumner**  
Trustee

OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	17	(138,529)	112,686
<b>Cash flows from investing activities:</b>			
Interest received		193	390
Purchase of tangible fixed assets		(3,590)	(10,010)
<b>Net cash used in investing activities</b>		(3,397)	(9,620)
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(1,000)	(1,000)
<b>Net cash used in financing activities</b>		(1,000)	(1,000)
<b>Change in cash and cash equivalents in the year</b>		(142,926)	102,066
Cash and cash equivalents brought forward		429,652	327,586
<b>Cash and cash equivalents carried forward</b>		286,726	429,652

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

### 1. ACCOUNTING POLICIES

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

#### 1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Our Lady Immaculate Catholic Primary School constitutes a public benefit entity as defined by FRS 102.

The Academy's functional and presentational currency is Pounds Sterling.

#### 1.2 Company status

The Academy is a company limited by guarantee. Members are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Academy. The Academy's registered office is New London Road, Chelmsford, Essex, CM2 0RG.

#### 1.3 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

#### 1.4 Income

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

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

### 1. ACCOUNTING POLICIES (continued)

#### 1.5 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

#### 1.6 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES (continued)**

**1.7 Tangible fixed assets and depreciation**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The Trust occupies land and the buildings provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Trust occupies the land and buildings by a license that transfers to the Academy no rights or control over the site save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Academy will not be recognised or valued within fixed assets.

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 Incorporating Income and Expenditure Account.

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

### 1. ACCOUNTING POLICIES (continued)

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

Fixtures and fittings	-	10 years on a straight line basis
Computer equipment	-	5 years on a straight line basis

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 incorporating Income and Expenditure Account.

#### 1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

#### 1.9 Taxation

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

#### 1.10 Debtors

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

#### 1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.12 Liabilities and provisions

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

#### 1.13 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 as detailed in note 12. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 13 and 14. 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 instruments.

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

### 1. ACCOUNTING POLICIES (continued)

#### 1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2017. 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.

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	-	58,558	-	58,558	55,228
Notional rent (see note 22)	-	51,000	-	51,000	51,000
Capital grants	-	-	6,464	6,464	151,914
	<u>-</u>	<u>109,558</u>	<u>6,464</u>	<u>116,022</u>	<u>258,142</u>
<i>Total 2016</i>	<u>-</u>	<u>106,228</u>	<u>151,914</u>	<u>258,142</u>	

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	807,736	807,736	799,124
Other DfE / ESFA grants	-	60,984	60,984	58,223
	<u>-</u>	<u>868,720</u>	<u>868,720</u>	<u>857,347</u>
<b>Other government grants</b>				
Local Authority grants	-	34,133	34,133	48,830
	<u>-</u>	<u>34,133</u>	<u>34,133</u>	<u>48,830</u>
<b>Other income</b>				
Catering income	35,953	-	35,953	38,740
	<u>35,953</u>	<u>-</u>	<u>35,953</u>	<u>38,740</u>
	<u>35,953</u>	<u>902,853</u>	<u>938,806</u>	<u>944,917</u>
<i>Total 2016</i>	<u>38,740</u>	<u>906,177</u>	<u>944,917</u>	

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Other income	81,629	-	81,629	63,132
	<u>81,629</u>	<u>-</u>	<u>81,629</u>	<u>63,132</u>
<i>Total 2016</i>	<u>63,132</u>	<u>-</u>	<u>63,132</u>	

**5. EXPENDITURE**

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Provision of education:					
Direct costs	641,644	-	113,089	754,733	643,109
Support costs	187,159	231,607	156,345	575,111	538,341
	<u>828,803</u>	<u>231,607</u>	<u>269,434</u>	<u>1,329,844</u>	<u>1,181,450</u>
<i>Total 2016</i>	<u>761,671</u>	<u>156,197</u>	<u>263,582</u>	<u>1,181,450</u>	

**6. CHARITABLE ACTIVITIES**

	2017 £	2016 £
Direct costs	754,733	643,109
Support costs	575,111	538,341
Total	<u>1,329,844</u>	<u>1,181,450</u>

Analysis of support costs	2017 £	2016 £
Support staff costs	187,159	212,728
Depreciation	17,584	15,976
Technology costs	14,405	15,668
Premises costs	231,607	156,197
Other support costs	113,764	127,177
Governance costs	10,592	10,595
Total	<u>575,111</u>	<u>538,341</u>

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**7. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned or leased by the Academy	17,584	15,976
Auditors' remuneration - audit	4,250	4,250
Auditor' remuneration - other services	4,500	4,100
Operating lease rentals	15,932	15,932
	<u>          </u>	<u>          </u>

**8. STAFF COSTS**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	619,556	596,347
Social security costs	49,012	40,464
Operating costs of defined benefit pension schemes	154,900	121,758
	<u>          </u>	<u>          </u>
Supply teacher costs	823,468	758,569
	5,335	3,102
	<u>          </u>	<u>          </u>
	<u>828,803</u>	<u>761,671</u>

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

	2017 No.	2016 No.
Teachers	12	12
Administration and support	28	30
Management	5	4
	<u>          </u>	<u>          </u>
	<u>45</u>	<u>46</u>

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

	2017 No.	2016 No.
In the band £ 60,001 - £ 70,000	1	1

The key management personnel of the Academy comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the Academy was £280,269 (2016: 265,984).

OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017

9. TRUSTEES' REMUNERATION AND EXPENSES

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

Mrs P Barningham (Headteacher and Trustee)  
Remuneration £60,000 - £65,000 (2016: £60,000 - £65,000)  
Employer's pension contributions paid £10,000 - £15,000 (2016: £10,000 - £15,000)

Mrs L Young (Trustee)  
Remuneration £35,000 - £40,000 (2016: £35,000 - £40,000)  
Employer's pension contributions paid £5,000 - £10,000 (2016: £5,000 - £10,000)

Mrs J Vernon (Trustee)  
Remuneration £15,000 - £20,000 (2016: £Nil)  
Employer's pension contributions paid £0 - £5,000 (2016: £Nil)

Mrs A Lee (Trustee)  
Remuneration £Nil (2016: £0 - £5,000)  
Employer's pension contributions paid £Nil (2016: £0 - £5,000)

10. TRUSTEES' AND OFFICERS' INSURANCE

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

11. TANGIBLE FIXED ASSETS

	Furniture and equipment £
<b>Cost</b>	
At 1 September 2016	91,643
Additions	3,590
At 31 August 2017	95,233
<b>Depreciation</b>	
At 1 September 2016	55,169
Charge for the year	17,584
At 31 August 2017	72,753
<b>Net book value</b>	
At 31 August 2017	22,480
At 31 August 2016	36,474

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**12. DEBTORS**

	2017 £	2016 £
<b>Due after more than one year</b>		
Other debtors (see note 22)	102,000	102,000
<b>Due within one year</b>		
Trade debtors	250	-
VAT control account	909	3,937
Other debtors (see note 22)	51,000	51,000
Prepayments and accrued income	21,409	29,308
	<u>175,568</u>	<u>186,245</u>

**13. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	-	215
Other taxation and social security	12,115	11,648
Other creditors	13,873	13,255
Accruals and deferred income	65,690	106,963
	<u>91,678</u>	<u>132,081</u>

	2017 £	2016 £
<b>Deferred income</b>		
Deferred income at 1 September 2016	41,602	40,413
Resources deferred during the year	36,631	41,602
Amounts released from previous years	(41,602)	(40,413)
Deferred income at 31 August 2017	<u>36,631</u>	<u>41,602</u>

The majority of deferred income during the year relates to universal free school meals and school trip income.

**14. CREDITORS: Amounts falling due after more than one year**

	2017 £	2016 £
Salix loan	<u>4,500</u>	<u>5,500</u>

Included within other creditors is a loan of £4,500 from Salix which is to be repaid at £1,000 per year.

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**15. STATEMENT OF FUNDS**

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2017 £
<b>Designated funds</b>						
Designated funds - capital	-	-	-	10,000	-	10,000
<b>General funds</b>						
General funds	194,239	117,775	(123,310)	(10,000)	-	178,704
Total unrestricted funds	194,239	117,775	(123,310)	-	-	188,704
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	807,736	(804,146)	(3,590)	-	-
Other DfE/ESFA	-	42,189	(42,189)	-	-	-
SEN funding	-	25,421	(25,421)	-	-	-
School trips	-	25,079	(25,079)	-	-	-
Other LA income	-	8,712	(8,712)	-	-	-
PTA fund	7,357	10,319	(17,676)	-	-	-
Other Government grants	9,343	18,795	(15,537)	-	-	12,601
Restricted donations	-	23,160	(23,160)	-	-	-
Donation in kind (see note 22)	153,000	51,000	(51,000)	-	-	153,000
Pension reserve	(796,000)	-	(67,000)	-	95,000	(768,000)
	(626,300)	1,012,411	(1,079,920)	(3,590)	95,000	(602,399)
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds	36,474	-	(17,584)	3,590	-	22,480
Devolved Formula Capital	6,491	6,464	(2,944)	-	-	10,011
CIF Funding	107,886	-	(106,086)	-	-	1,800
	150,851	6,464	(126,614)	3,590	-	34,291
Total restricted funds	(475,449)	1,018,875	(1,206,534)	-	95,000	(568,108)
Total of funds	(281,210)	1,136,650	(1,329,844)	-	95,000	(379,404)

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**15. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2016 £
<b>Designated funds</b>	-	-	-	-	-	-
<b>General funds</b>						
General funds	173,985	102,262	(82,008)	-	-	194,239
	173,985	102,262	(82,008)	-	-	194,239
Total unrestricted funds	173,985	102,262	(82,008)	-	-	194,239
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	799,124	(789,116)	(10,008)	-	-
Other DfE/ESFA	-	38,893	(38,893)	-	-	-
SEN funding	-	36,684	(36,684)	-	-	-
School trips	-	18,552	(18,552)	-	-	-
Other LA income	-	12,146	(12,146)	-	-	-
PTA fund	2,506	17,781	(12,930)	-	-	7,357
Other Government grants	14,647	19,330	(24,634)	-	-	9,343
Restricted donations	-	18,895	(18,895)	-	-	-
Donation in kind (see note 22)	153,000	51,000	(51,000)	-	-	153,000
Pension reserve	(429,000)	-	(37,000)	-	(330,000)	(796,000)
	(258,847)	1,012,405	(1,039,850)	(10,008)	(330,000)	(626,300)
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds	42,980	-	(16,514)	10,008	-	36,474
Devolved Formula Capital	5,541	6,453	(5,503)	-	-	6,491
CIF Funding	-	145,461	(37,575)	-	-	107,886
	48,521	151,914	(59,592)	10,008	-	150,851
Total restricted funds	(210,326)	1,164,319	(1,099,442)	-	(330,000)	(475,449)
Total of funds	(36,341)	1,266,581	(1,181,450)	-	(330,000)	(281,210)

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**15. STATEMENT OF FUNDS (continued)**

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

**Other government grants**

This represents various grants received from Government bodies for the provision of specific services to pupils of the Academy.

**Other DfE/ESFA**

This represents various grants received from the DfE/ESFA that do not form part of the General Annual Grant for the provision of specific services to pupils of the Academy.

**SEN funding**

This represents allocated funding for special educational needs pupils.

**School trips**

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

**PTA Fund**

The PTA donated £10,319 in the period ended 31 August 2017 to be used for the purchase of various items. The carried forward is £Nil.

**Other restricted donations**

This fund represents other donations which have restricted uses.

**Pension fund**

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS).

**Restricted fixed asset funds**

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

The transfer of £3,590 represents the net fixed assets movements from the GAG fund.

**Condition Improvement Fund (CIF)**

This represents funding received from the ESFA to cover the cost of the roof replacement project that commenced in the prior year.

**Devolved Formula Capital (DFC) fund**

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

**Donation in kind**

This fund represents the rent free occupation of the land and buildings from the Diocese of Brentwood.

**General Annual Grant (GAG)**

This represents funding from the ESFA to cover the costs of recurrent expenditure.

**Designated Funds - Capital**

This represents funds set aside for future capital projects.

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	22,480	22,480
Debtors due after more than 1 year	-	102,000	-	102,000
Current assets	188,704	159,779	11,811	360,294
Creditors due within one year	-	(91,678)	-	(91,678)
Creditors due in more than one year	-	(4,500)	-	(4,500)
Provisions for liabilities and charges	-	(768,000)	-	(768,000)
	<u>188,704</u>	<u>(602,399)</u>	<u>34,291</u>	<u>(379,404)</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	36,474	36,474
Debtors due after more than 1 year	-	102,000	-	102,000
Current assets	194,239	205,281	114,377	513,897
Creditors due within one year	-	(132,081)	-	(132,081)
Creditors due in more than one year	-	(5,500)	-	(5,500)
Provisions for liabilities and charges	-	(796,000)	-	(796,000)
	<u>194,239</u>	<u>(626,300)</u>	<u>150,851</u>	<u>(281,210)</u>

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

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(193,194)	85,131
<b>Adjustment for:</b>		
Depreciation charges	17,584	15,976
Dividends, interest and rents from investments	(193)	(390)
Loss on the sale of fixed assets	-	538
Decrease/(increase) in debtors	10,677	(4,523)
Decrease in creditors	(40,403)	(21,046)
Defined benefit pension adjustment	67,000	37,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(138,529)</u>	<u>112,686</u>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £	2016 £
Cash in hand	286,726	429,652
<b>Total</b>	<u>286,726</u>	<u>429,652</u>

## OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

#### 19. MEMBERS' LIABILITY

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

#### 20. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £12,873 were payable to the schemes at 31 August 2017 (2016 - 11,051) and are included within creditors.

##### Teachers' Pension Scheme

###### Introduction

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

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

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

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- 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%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £57,781 (2016 - £54,817).

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

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**20. PENSION COMMITMENTS (continued)**

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £62,000 (2016 - £61,000), of which employer's contributions totalled £47,000 (2016 - £46,000) and employees' contributions totalled £15,000 (2016 - £15,000). The agreed contribution rates for future years are 12.3% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	4.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %

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

	2017	2016
Retiring today		
Males	22.2	22.9
Females	24.7	25.3
Retiring in 20 years		
Males	24.3	25.2
Females	27.0	27.7

	At 31 August 2017 £	At 31 August 2016 £
<b>Sensitivity analysis</b>		
Discount rate +0.1%	1,376,000	1,309,000
Discount rate -0.1%	1,437,000	1,369,000
Mortality assumption - 1 year increase	1,451,000	1,373,000
Mortality assumption - 1 year decrease	1,363,000	1,306,000
CPI rate +0.1%	1,430,000	1,364,000
CPI rate -0.1%	1,382,000	1,314,000

**OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**20. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	415,000	373,000
Gilts	40,000	20,000
Other bonds	25,000	24,000
Property	62,000	60,000
Cash and other liquid assets	20,000	16,000
Alternative assets	49,000	24,000
Other managed funds	27,000	26,000
	<u>638,000</u>	<u>543,000</u>
<b>Total market value of assets</b>	<b><u>638,000</u></b>	<b><u>543,000</u></b>

The actual return on scheme assets was £85,000 (2016 - £66,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2017 £	2016 £
Current service cost	(97,000)	(67,000)
Interest income	13,000	18,000
Interest cost	(30,000)	(34,000)
	<u>(114,000)</u>	<u>(83,000)</u>
<b>Total</b>	<b><u>(114,000)</u></b>	<b><u>(83,000)</u></b>

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

	2017 £	2016 £
Opening defined benefit obligation	1,339,000	845,000
Current service cost	97,000	67,000
Interest cost	30,000	34,000
Employee contributions	15,000	15,000
Actuarial (gains)/losses	(75,000)	378,000
	<u>1,406,000</u>	<u>1,339,000</u>
<b>Closing defined benefit obligation</b>	<b><u>1,406,000</u></b>	<b><u>1,339,000</u></b>

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

	2017 £	2016 £
Opening fair value of scheme assets	543,000	416,000
Interest income	13,000	18,000
Actuarial gain	20,000	48,000
Employer contributions	47,000	46,000
Employee contributions	15,000	15,000
	<u>638,000</u>	<u>543,000</u>
<b>Closing fair value of scheme assets</b>	<b><u>638,000</u></b>	<b><u>543,000</u></b>

# OUR LADY IMMACULATE CATHOLIC PRIMARY SCHOOL

(A Company Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

### 21. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	3,076	15,932
Between 1 and 5 years	1,025	4,101
Total	<u>4,101</u>	<u>20,033</u>

### 22. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

The Academy operates from land and buildings provided rent free by the Diocese of Brentwood. Under an agreement between the Diocese, the Academy and the Secretary of State the Diocese would be required to give 24 months notice from the year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end. The Trustees estimate that the cost of renting equivalent buildings would be £51,000 per annum, on this basis a donation from the Diocese of £51,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors is a donation in kind receivable of £153,000 representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months.

The spouse of Mr T Reilly, a Trustee, is employed by the Academy on a contract approved by Trustees whose remuneration is in line with the standard payscales for the role undertaken and their employment contract is subject to normal terms and conditions.

There were no other related party transactions during the year ended 31 August 2017.