

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' & GOVERNORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	Msgr M Dickens ² Msgr M Lee ²
Trustees	Mrs A M Boyd, Chair of Governors ² Mrs K Ryan, Vice Chair of Governors Mrs A Brown, Vice Chair of Governors Mr T Gibson, Head Teacher Sr M Donovan Mr R Henstock ¹ Mrs U Keely (appointed 13 September 2014) Mr B Marley ¹ Mr J Newman Mrs R Sylver-Francis Mrs C Jackson (resigned 7 September 2014) Fr T Lynch (resigned 31 August 2015) Dr N Mellor Ms D Shaw (appointed 1 October 2015) Mrs L Jiggins Miss L Peirce Miss L Semmens (appointed 16 December 2014) Mrs M Thompson

1 Director of the company

2 Member of the company

Company registered number	07966826
Principal and registered office	25 Sandal Road New Malden Surrey KT3 5AR
Company secretary	Mr A Horwood
Chief executive officer	Mr T Gibson
Senior management team	Mr T Gibson, Headteacher Mrs N M Murphy, Deputy Headteacher Mrs A Waugh-Lucas, Deputy Headteacher Mr A Horwood, Finance Director Ms L Gordon, Assistant Headteacher Mrs N F Murphy, Assistant Headteacher Mr M Oliver, Assistant Headteacher Ms H Kay, Senior Teacher Mrs D Middlecoat, Senior Teacher Mrs V Quinnell, Senior Teacher Miss A Rout, Senior Teacher

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES, GOVERNORS AND
ADVISERS**
FOR THE YEAR ENDED 31 AUGUST 2015

Administrative details (continued)

Independent auditors Landau Baker Limited
Chartered Accountants
Statutory Auditors
Mountcliff House
154 Brent Street
London
NW4 2DR

Bankers Lloyds Bank plc
P O Box 1000
Andover
BX1 1LT

Finance Director Mr A Horwood

THE HOLY CROSS SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust operates an academy for pupils aged 11 to 19 serving a catchment area in New Malden, Surrey. It had a pupil capacity of 827 and 939 pupils on roll at the census in May 2015.

Structure, governance and management

a. CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the Academy Trust. Some of the Trustees of The Holy Cross School are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Holy Cross School.

Details of the Trustees who served during the year are shown in the Reference and Administrative Details on Page 1.

b. 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.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association as follows:

- The Headteacher (ex officio)
- 10 foundation Trustees appointed by the Archbishop
- 2 parent Trustees, elected by parents of pupils registered at the academy, and appointed by the board of Trustees
- 2 staff Trustees appointed by the board of Trustees, provided that the maximum number of staff Trustees does not exceed one third of the total number of Trustees
- 1 local Trustee appointed by the governing body
- Any Trustees appointed by the Secretary of State for Education
- Up to 2 co-opted Trustees appointed by the board of Trustees provided that if any such Trustee is appointed the number of foundation Trustees shall increase proportionately to ensure that the number of foundation Trustees always exceeds the total number of other Trustees by at least 2.

The term of office for any Trustee is 4 years. The Headteacher's term of office runs parallel with his term of appointment. Subject to remaining eligible to be a particular type of Trustee any Trustee may be reappointed or re-elected.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Seven meetings of the full board of Trustees took place during the period under review. In addition there were regular meetings covering finance, curriculum, premises and personnel. The training and induction provided for new Trustees will depend on their experience. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new Trustees are given a tour of the academy and the chance to

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

e. ORGANISATIONAL STRUCTURE

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the academy, the catchment area from which the pupils are drawn, and that the curriculum should be broad and appropriately balanced.

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the Trustees and the executive who are the senior leadership team.

The board of Trustees has considered its role thoughtfully and decided that the role of the Trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The board of Trustees has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The composition of the board of Trustees is drawn from local public and private sector organisations. It is therefore inevitable that transactions may take place with organisations in which a member of the board of Trustees may have an interest. All such transactions would be conducted at arm's length.

g. RISK MANAGEMENT

The Trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy, and its finances. The Trustees have implemented a number of systems to assess risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

Risks are scored and prioritised in terms of their potential operational or financial impact and assessed in terms of the likelihood of occurrence. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls.

h. TRUSTEES' INDEMNITIES

Subject to the provisions of the Companies Act 2006 s236, every Trustee or other officer of the charitable company shall be indemnified out of the assets of the charitable company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the charitable company.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

i. PRINCIPAL ACTIVITIES

The principal object and activity of the academy is the operation of The Holy Cross School to provide a Catholic education for girls in New Malden, Surrey. The Trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

Objectives and Activities

a. OBJECTS AND AIMS

The main objectives of the academy during the period are summarised below:

- to establish, maintain, carry on, manage and develop the academy at The Holy Cross School;
- to provide educational facilities, a high standard of teaching and learning and a diverse range of extracurricular opportunities;
- to provide a broad and balanced curriculum including English, Mathematics, Science, Religious Education and a daily act of collective worship;
- to maintain the outstanding level of educational achievement of all pupils;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory requirements;
- to conduct the academy's business in accordance with the highest standards of integrity, probity and openness.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

The primary activity of the academy is the operation of The Holy Cross School in New Malden, Surrey.

c. PUBLIC BENEFIT

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, 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 the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

b. REVIEW OF ACTIVITIES

The following data summarises the Academy's achievements during the Academic/Financial Year ending the 31st August 2015.

Public Examinations Attainment Summer 2015

5A*-C (including English and Mathematics)	81%	National Average 56%
English Baccalaureate	47%	National Average 24%
A Level	54% A*-B	
	84% A*-C	

Student Progress: Source – Raise On Line (Ofsted DfE)

The three year profile of student progress compared to the national figure for progress is as follows:-

2013 Value added 1029.3 Percentile rank 8

2014 Value added 1033.3 Percentile rank 8

2015 Value added 1037.6 Percentile rank 5

Numbers on roll

2011 - 942

2112 - 940

2013 - 937

2014 - 945

2015 - 935

Attendance

Holy Cross 95.5% National Average 94.8%

Inspection

The section 48 report in June 2013 graded the school as outstanding in all categories.

Community

Since The Holy Cross School became an Academy on the 1st August 2012 the school has actively encouraged the local community groups to utilise the school facilities. The following community organisations are now regular users of the school facilities;

New Malden Community Badminton Club

New Malden Tamil School

Polish Saturday School

Portuguese Community Institute

Financial review

a. PRINCIPAL RISKS AND UNCERTAINTIES

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

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TRUSTEES' REPORT (continued)
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b. RESERVES POLICY

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review.

c. PRINCIPAL FUNDING

Most of the academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also received grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2005), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the LGPS, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem, the employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Plans for future periods

a. FUTURE DEVELOPMENTS

The future plans for the school are defined in the Strategic Development Plan 2012-2017, which was finalised after extensive consultation with stakeholders (Trustees, Students, Staff and Parents). Much progress has been made against the targets set for 2014-15 within the SDP. The most important factor is that each year we continue to improve, so that the provision we offer our young people is of a high quality across all aspects of our school community. The 10-points outlined in the SDP are as follows:-

- To ensure our Catholic mission is at the heart of all aspects of our school community
- To ensure that all students, regardless of their starting points, make sustained and substantial progress across all curriculum areas from Key Stage 3-5
- To ensure all teaching is consistently good with much that is outstanding
- To ensure that our curriculum is broad and balanced, engaging our students and being highly valued externally
- To ensure that the quality of teaching, curriculum and care guidance and support at Key Stage 5 enable all students to make sustained and substantial progress.
- To provide an environment which enables all staff to develop their expertise and skills within a well led community
- To ensure that the provision for ICT is efficient and effective to support teaching and learning and the administration of the school
- To ensure that financial resources are maximised and utilised efficiently to enable students and staff to thrive.
- To ensure that our school is a safe and secure environment in which all students and staff can flourish
- To ensure Holy Cross is an outward facing school, sharing its skills, expertise and facilities with the wider

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

community

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

At the financial year end the academy held funds amounting to £7,136 (2014: £nil) as agent for the Education Funding Agency (EFA) in the distribution of 16-19 bursary grants to pupils.

CHARITABLE DONATIONS

The academy made donations to charitable institutions in India, Thailand, Africa and the UK amounting to £7,518 (2014: £9,187) during the year.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Landau Baker Limited, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by order of the board of trustees on 15 December 2015 and signed on the board's behalf by:

Mrs A-M Boyd, Chair of Governors

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Holy Cross 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 The Holy Cross 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 Trustees' Responsibilities Statement. The board of trustees has formally met 7 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
Mrs A M Boyd, Chair of Governors	7	7
Mrs K Ryan, Vice Chair of Governors	5	7
Mrs A Brown, Vice Chair of Governors	6	7
Mr T Gibson, Head Teacher	7	7
Sr M Donovan	6	7
Mr R Henstock	7	7
Mrs U Keely	7	7
Mr B Marley	7	7
Mr J Newman	4	7
Mrs R Sylver-Francis	2	7
Fr T Lynch	6	7
Dr N Mellor	7	7
Ms D Shaw	6	7
Mrs L Jiggins	6	7
Miss L Peirce	6	7
Miss L Semmens	4	4
Mrs M Thompson	4	7

Governance reviews:

To enhance their governance effectiveness, Trustees initiated a number of processes during the year. These included revisiting the Governing Body Skills Audit to highlight areas of expertise to be strengthened. Further Ofsted Awareness questionnaires were completed and group sessions held. Strengthened Trustee links with individual members of the school's Leadership Team with Strategic Development Plan responsibilities thus broadening their knowledge in these areas. Making comparisons with other/similar schools using data provided by the LA and the Government such as Raise on Line and developing Self-evaluation procedures.

The Finance and Personnel Committee is a sub-committee of the main board of trustees. Its purpose is to monitor the finances of the academy, ensure that proper systems of internal control are in operation such that the assets of the academy are protected and that resources are used for the purposes intended by Parliament.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Newman (Chair)	6	6
Mr T Gibson	5	6
Mrs A-M Boyd	6	6
Mrs A Brown	1	1
Sr M Donovan	2	2
Mr R Henstock	5	6
Mrs U Keely	2	2
Fr T Lynch	2	2
Mr B Marley	1	1
Mrs R Sylver-Francis	2	6
Mrs K Ryan	5	6
Ms D Shaw	5	6
Miss L Semmens	3	3
Miss L Peirce	1	1
Mrs L Jiggins	1	1

REVIEW OF VALUE FOR MONEY

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

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

- allocating resources to best promote the aims and values of the school.
- targeting resources to best improve standards and the quality of provision.
- using resources to best support the various educational needs of all pupils.
- benchmarking expenditure through liaison with local academies.
- employing a buildings consultant to advise and obtain tenders on any large scale refurbishment of the premises.

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 The Holy Cross School for the year 1 September 2014 to 31 August 2015 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of

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GOVERNANCE STATEMENT (continued)

trustees.

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 Finance and Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed:

- Mr R Henstock, a Trustee, as Responsible Officer (RO);
- Landau Baker Limited, the external auditors, to perform additional checks.

The appointees' 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:

- payroll
- purchasing
- income
- bank reconciliations
- reconciliation of nominal ledger control accounts

On a semi-annual basis, the appointees report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

RO reports have indicated that financial control systems operated effectively during the year.

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 Responsible Officer;
- the work of the external auditors;
- 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 Finance and Personnel Committee and a plan to ensure continuous improvement of the system is in place.

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GOVERNANCE STATEMENT (continued)

Approved by order of the members of the board of trustees on 15 December 2015 and signed on its behalf, by:

Mrs A-M Boyd
Chair of Governors

Mr T Gibson
Headteacher

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Holy Cross School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2014).

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 EFA.

Mr T Gibson
Accounting Officer

Date: 15 December 2015

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (some of whom act as trustees for charitable activities of The Holy Cross 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 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;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 15 December 2015 and signed on its behalf by:

Mrs A-M Boyd
Chair of Governors

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLY CROSS SCHOOL

We have audited the financial statements of The Holy Cross School for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Governors' responsibilities statement, the Governors (some of whom are also the directors of the academy 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOLY CROSS SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Michael Durst (Senior Statutory Auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
15 December 2015

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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE HOLY CROSS SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 August 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Holy Cross School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE HOLY CROSS SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Holy Cross School's funding agreement with the Secretary of State for Education dated 1 August 2012, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE HOLY
CROSS SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

- adherence to tendering policies.

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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Michael Durst (Reporting Accountant)

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

15 December 2015

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	37,361	-	37,740	75,101	109,305
Activities for generating funds	3	54,013	-	-	54,013	49,876
Investment income	4	328	-	-	328	401
Incoming resources from charitable activities	5	827	5,378,949	522,687	5,902,463	5,845,516
TOTAL INCOMING RESOURCES		92,529	5,378,949	560,427	6,031,905	6,005,098
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	45,407	-	-	45,407	68,451
Charitable activities	11	-	5,369,900	138,638	5,508,538	5,341,286
Governance costs	7	-	13,496	-	13,496	11,737
TOTAL RESOURCES EXPENDED	10	45,407	5,383,396	138,638	5,567,441	5,421,474
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		47,122	(4,447)	421,789	464,464	583,624

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	22	-	(37,271)	37,271	-	-
NET INCOME FOR THE YEAR		47,122	(41,718)	459,060	464,464	583,624
Actuarial gains and losses on defined benefit pension schemes		-	(27,000)	-	(27,000)	(138,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		47,122	(68,718)	459,060	437,464	445,624
<i>Total funds at 1 September 2014</i>		<i>99,073</i>	<i>(1,736,908)</i>	<i>1,256,046</i>	<i>(381,789)</i>	<i>(827,413)</i>
TOTAL FUNDS AT 31 AUGUST 2015		146,195	(1,805,626)	1,715,106	55,675	(381,789)

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 44 form part of these financial statements.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07966826

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	17		1,675,485		1,256,046
CURRENT ASSETS					
Stocks	18	1,688		2,167	
Debtors	19	159,979		214,525	
Cash at bank		137,877		21,113	
			<u>299,544</u>		<u>237,805</u>
CREDITORS: amounts falling due within one year	20		<u>(742,840)</u>		<u>(599,197)</u>
NET CURRENT LIABILITIES					
			<u>(443,296)</u>		<u>(361,392)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>1,232,189</u>		<u>894,654</u>
CREDITORS: amounts falling due after more than one year	21		<u>(190,514)</u>		<u>(364,443)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY					
Defined benefit pension scheme liability	28		<u>(986,000)</u>		<u>(912,000)</u>
NET ASSETS/(LIABILITIES) INCLUDING PENSION SCHEME LIABILITY					
			<u>55,675</u>		<u>(381,789)</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	22	(819,626)		(824,908)	
Restricted fixed asset funds	22	1,715,106		1,256,046	
			<u>895,480</u>		<u>431,138</u>
Restricted funds excluding pension liability					
Pension reserve		(986,000)		(912,000)	
			<u>(90,520)</u>		<u>(480,862)</u>
Total restricted funds					
Unrestricted funds	22		<u>146,195</u>		<u>99,073</u>
TOTAL FUNDS/(DEFICIT)					
			<u>55,675</u>		<u>(381,789)</u>

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2015

The financial statements were approved by the Trustees, and authorised for issue, on 15 December 2015 and are signed on their behalf, by:

Mrs A-M Boyd, Chair of Governors

Mr T Gibson, Headteacher

The notes on pages 24 to 44 form part of these financial statements.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	24	114,742	237,262
Returns on investments and servicing of finance	25	(328)	(401)
Capital expenditure and financial investment	25	2,350	(243,895)
INCREASE/(DECREASE) IN CASH IN THE YEAR		116,764	(7,034)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase/(Decrease) in cash in the year	116,764	(7,034)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	116,764	(7,034)
Decrease/ (increase) in net debt	96,429	162,500
MOVEMENT IN NET DEBT IN THE YEAR	213,193	155,466
Net debt at 1 September 2014	(381,330)	(536,796)
NET DEBT AT 31 AUGUST 2015	(168,137)	(381,330)

The notes on pages 24 to 44 form part of these financial statements.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 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 funders where the asset acquired or created is held for a specific purpose.

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

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

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 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 one year from the date of approval of the financial statements.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

Land and buildings are held under a mere licence from the Diocese of Southwark and are not brought into the financial statements. The licence delegates aspects of the management of the land and buildings to the Academy Trust company for the time being, but does not vest any rights over the land to the Academy Trust company.

Improvements made to the land and buildings are capitalised and depreciated over the expected life of the project at the time of completion.

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 in the Statement of Financial Activities.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements to property held under licence	-	Expected lives of individual projects
Plant and machinery	-	5 - 20 years
Computer equipment	-	3 years
Assets under construction	-	Not depreciated until brought into use for the first time

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.8 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.

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.10 Agency arrangements

The Academy Trust acts as agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds.

The funds received and paid and any balances are disclosed in Note 31.

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Donations	37,361	37,740	75,101	109,305

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Lettings	54,013	-	54,013	49,876

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Bank interest	328	-	328	401

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Educational activities	-	4,711,008	4,711,008	4,759,831
Other DfE/EFA grants	827	663,780	664,607	617,065
Other government grants	-	46,238	46,238	39,537
Catering income	-	188,938	188,938	175,080
Trip income	-	184,320	184,320	197,103
Facilities and service income	-	107,352	107,352	56,900
	827	5,901,636	5,902,463	5,845,516

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
Budget share	-	3,593,799	3,593,799	3,539,803
Sixth form funding	-	985,189	985,189	1,046,062
ESG/LACSEG	-	132,020	132,020	173,966
	<u>-</u>	<u>4,711,008</u>	<u>4,711,008</u>	<u>4,759,831</u>

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governor maintenance fund expenditure	37,740	-	37,740	47,740
School fund expenditure	7,667	-	7,667	20,711
	<u>45,407</u>	<u>-</u>	<u>45,407</u>	<u>68,451</u>

7. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	4,000	4,000	3,999
Auditors' non audit costs	-	3,800	3,800	1,738
Payroll services	-	5,696	5,696	6,000
	<u>-</u>	<u>13,496</u>	<u>13,496</u>	<u>11,737</u>

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. DIRECT COSTS

	Educational activities £	Total 2015 £	Total 2014 £
Pension income	18,000	18,000	27,000
Educational supplies	335,695	335,695	299,814
Staff development and training	28,679	28,679	30,981
Energy	78,247	78,247	79,034
Rates	17,858	17,858	31,773
Other direct costs	23,488	23,488	21,808
Learning resources	196,438	196,438	202,169
Examination fees	89,955	89,955	95,746
Supply teaching costs	107,095	107,095	36,367
Wages and salaries	2,755,732	2,755,732	2,822,940
National insurance	237,566	237,566	240,090
Pension cost	364,994	364,994	356,012
	<u>4,253,747</u>	<u>4,253,747</u>	<u>4,243,734</u>

9. SUPPORT COSTS

	Educational activities £	Total 2015 £	Total 2014 £
Building maintenance and improvement	88,622	88,622	87,929
Grounds maintenance and improvement	9,796	9,796	9,131
Other occupation costs	58,988	58,988	49,182
Bought in professional services	80,735	80,735	59,222
Administrative supplies	64,379	64,379	61,620
Insurance premiums	34,130	34,130	37,677
Catering supplies	149,439	149,439	128,751
Loan interest	750	750	1,320
Wages and salaries	480,999	480,999	443,729
National insurance	30,970	30,970	28,747
Pension cost	117,345	117,345	89,523
Depreciation	138,638	138,638	100,721
	<u>1,254,791</u>	<u>1,254,791</u>	<u>1,097,552</u>

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

10. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Depreciation 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Costs of generating voluntary income	-	-	45,407	45,407	68,451
Costs of generating funds	-	-	45,407	45,407	68,451
Direct costs - Educational activities	3,478,639	-	775,108	4,253,747	4,243,734
Support costs - Educational activities	629,314	138,638	486,839	1,254,791	1,097,552
Charitable activities	4,107,953	138,638	1,261,947	5,508,538	5,341,286
Governance	-	-	13,496	13,496	11,737
	4,107,953	138,638	1,320,850	5,567,441	5,421,474

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000 Amount £	Reason
Ex-gratia/compensation payments	13,250	13,250	Termination agreement

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £	Total 2014 £
Direct costs - Educational activities	4,253,747	1,254,791	5,508,538	5,341,286

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	138,638	100,721
Auditors' remuneration	4,000	4,000
Auditors' remuneration - non-audit	3,800	1,738
Operating lease rentals:		
- other operating leases	30,367	29,654
	30,367	29,654

13. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	3,236,731	3,266,669
Social security costs	268,537	268,837
Other pension costs (Note 28)	482,340	445,534
	3,987,608	3,981,040
Supply teacher costs	107,095	36,367
Compensation payments	13,250	-
	4,107,953	4,017,407

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teachers	54	54
Administrative and support staff	51	46
Management	11	11
	116	111

THE HOLY CROSS SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

13. STAFF (continued)

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	<i>2014</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	3	<i>3</i>
In the band £90,001 - £100,000	0	<i>1</i>
In the band £100,001 - £200,000	1	<i>0</i>

Three of the above employees contributed to the Teachers' Pension Scheme. Employer contributions paid by the academy in respect of these employees amounted to £32,718 (2014 - £31,753). One of the above employees contributed to the Local Government Pension Scheme and employer contributions in respect of this employee amounted to £16,936 (2014 - £16,434).

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Trustees (2014 - 3) in respect of defined benefit pension schemes.

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

	2015	<i>2014</i>
	£'000	<i>£'000</i>
Mr T Gibson - remuneration	100-105	<i>95-100</i>
Mr T Gibson - employer pension	10-15	<i>10-15</i>
Miss L Peirce - remuneration	35-40	<i>35-40</i>
Miss L Peirce - remuneration	5-10	<i>5-10</i>
Mrs L Jiggins - remuneration	15-20	<i>20-25</i>
Mrs L Jiggins - employer pension	0-5	<i>0-5</i>

During the year, no Trustees received any reimbursement of expenses (2014 - £NIL).

15. 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 2015 was £193 (2014 - £193). The cost of this insurance is included in the total insurance cost.

THE HOLY CROSS SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

16. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	46,000	29,000
Interest on pension scheme liabilities	(64,000)	(56,000)
	(18,000)	(27,000)

17. TANGIBLE FIXED ASSETS

	Improvement to property held under licence £	Plant and machinery £	Computer equipment £	Assets under construction £	Total £
Cost					
At 1 September 2014	966,852	168,296	131,836	166,869	1,433,853
Additions	-	30,823	30,435	496,819	558,077
Transfer between classes	524,372	-	-	(524,372)	-
At 31 August 2015	1,491,224	199,119	162,271	139,316	1,991,930
Depreciation					
At 1 September 2014	59,793	45,578	72,436	-	177,807
Charge for the year	81,678	16,204	40,756	-	138,638
At 31 August 2015	141,471	61,782	113,192	-	316,445
Net book value					
At 31 August 2015	1,349,753	137,337	49,079	139,316	1,675,485
At 31 August 2014	907,059	122,718	59,400	166,869	1,256,046

The Academy Trust company occupies land (including buildings) which are owned by its Trustees who are the Diocese of Southwark. The Trustees are the providers of the academies on the same basis as when the academies were maintained schools. The Academy Trust company occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust company for the time being, but does not vest any rights over the land in the Academy Trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the Academy Trust company will not be recognised on the balance sheet of the company.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STOCKS

	2015	2014
	£	£
Catering and cleaning supplies	1,688	2,167
	<u>1,688</u>	<u>2,167</u>

19. DEBTORS

	2015	2014
	£	£
Trade debtors	66,666	80,120
Prepayments and accrued income	47,047	53,890
VAT recoverable	46,266	80,515
	<u>159,979</u>	<u>214,525</u>
	<u>159,979</u>	<u>214,525</u>

20. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Current portion of loans	115,500	38,000
Trade creditors	403,716	375,670
Other taxation and social security	75,452	78,649
Other creditors	58,346	57,458
Accruals and deferred income	89,826	49,420
	<u>742,840</u>	<u>599,197</u>
	<u>742,840</u>	<u>599,197</u>

Deferred income

Deferred income at 1 September 2014		£ 39,479
Resources deferred during the year		77,041
Amounts released from previous years		(39,479)
		<u>77,041</u>
Deferred income at 31 August 2015		<u>77,041</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. CREDITORS:
Amounts falling due after more than one year

	2015 £	2014 £
Roman Catholic Diocese of Southwark	150,000	226,428
Royal Borough of Kingston-upon-Thames	40,514	138,015
	190,514	364,443

These loans are repayable within 2 - 5 years. No security has been provided for either loan. The loan from the Roman Catholic Diocese of Southwark is interest free. The loan from the Royal Borough of Kingston-upon-Thames bears interest at the average 7 day rate for the year of 0.355%.

22. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	99,073	92,529	(45,407)	-	-	146,195
Restricted funds						
Restricted Funds - all funds	(824,908)	5,378,949	(5,336,396)	(37,271)	-	(819,626)
Pension reserve	(912,000)	-	(47,000)	-	(27,000)	(986,000)
	(1,736,908)	5,378,949	(5,383,396)	(37,271)	(27,000)	(1,805,626)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	1,256,046	560,427	(138,638)	37,271	-	1,715,106
Total restricted funds	(480,862)	5,939,376	(5,522,034)	-	(27,000)	(90,520)
Total of funds	(381,789)	6,031,905	(5,567,441)	-	(27,000)	55,675

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

All funds originated from assets gifted by the predecessor school. In addition:

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by

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NOTES TO THE FINANCIAL STATEMENTS
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22. STATEMENT OF FUNDS (continued)

expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

The academy is carrying a net deficit of £673,431 on restricted general funds (excluding pension reserve) plus unrestricted funds for the following reason:

The deficit originated prior to conversion to an academy on 1 August 2012 as a result of onerous photocopier contracts borne by the predecessor school.

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

The photocopier contracts in question have now been fully paid off and several senior staff members have retired since conversion to an academy, with a resultant saving in salary costs.

There was a reduction in the deficit in the current year due to lower operating costs being achieved as a result of efficiencies in various cost centres. The academy will continue to seek efficiencies to reduce the deficit further. Trustees continually review the staffing structure and are satisfied that the present structure cannot be further streamlined without impacting on the quality of provision. At the present time it is not possible to state with any degree of certainty when the deficit will be returned to surplus. Trustees had expected the deficit to be eliminated by 31 August 2017. However, additional cost pressures in the form of higher employer national insurance and pension contributions, unfunded teaching staff salary increments, reduced sixth form funding and the reduction in GAG funding have impacted on our recovery planning.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	99,073	92,529	(45,407)	-	-	146,195
Restricted funds	(1,736,908)	5,378,949	(5,383,396)	(37,271)	(27,000)	(1,805,626)
Restricted fixed asset funds	1,256,046	560,427	(138,638)	37,271	-	1,715,106
	<u>(381,789)</u>	<u>6,031,905</u>	<u>(5,567,441)</u>	<u>-</u>	<u>(27,000)</u>	<u>55,675</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestrict ed funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	1,675,485	1,675,485	1,256,046
Current assets	146,195	113,728	39,621	299,544	237,805
Creditors due within one year	-	(742,840)	-	(742,840)	(599,197)
Creditors due in more than one year	-	(190,514)	-	(190,514)	(364,443)
Provisions for liabilities and charges	-	(986,000)	-	(986,000)	(912,000)
	<u>146,195</u>	<u>(1,805,626)</u>	<u>1,715,106</u>	<u>55,675</u>	<u>(381,789)</u>

24. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	464,464	583,624
Returns on investments and servicing of finance	328	401
Other capital grants	(37,740)	(47,740)
Depreciation of tangible fixed assets	138,638	100,721
Capital grants from DfE	(522,687)	(495,062)
Decrease/(increase) in stocks	479	(691)
Decrease/(increase) in debtors	54,546	(9,665)
Increase in creditors	66,143	101,174
Decrease in creditors falling due after 1 year	(96,429)	(30,500)
FRS 17 adjustments	47,000	35,000
Net cash inflow from operations	<u>114,742</u>	<u>237,262</u>

25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	(328)	(401)
	<u>(328)</u>	<u>(401)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(558,077)	(786,697)
Capital grants from DfE	522,687	495,062
Capital donations	37,740	47,740
	2,350	(243,895)
Net cash inflow/(outflow) capital expenditure	2,350	(243,895)

26. ANALYSIS OF CHANGES IN NET DEBT

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	21,113	116,764	-	137,877
Debt:				
Debts due within one year	(38,000)	-	(77,500)	(115,500)
Debts falling due after more than one year	(364,443)	-	173,929	(190,514)
	(381,330)	116,764	96,429	(168,137)
Net debt	(381,330)	116,764	96,429	(168,137)

27. CAPITAL COMMITMENTS

At 31 August 2015 the academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	40,000	140,000
	40,000	140,000

28. 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 Royal Borough of Kingston-upon-Thames Pension Scheme. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £58,324 were payable to the scheme at 31 August 2015 (2014 - £57,437) and are included within creditors.

Teachers' Pension Scheme

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NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (continued)

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

Not less than every four years 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
- 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 year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £314,871 (2014: £317,627).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

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NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (continued)

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 2015 was £175,000, of which employer's contributions totalled £139,000 and employees' contributions totalled £36,000. The agreed contribution rates for future years are 25% for employers and between 5.5% and 7.5% 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.

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,872,000)	(1,642,000)
Fair value of scheme assets	886,000	730,000
Net liability	<u>(986,000)</u>	<u>(912,000)</u>

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

	2015 £	2014 £
Current service cost	(168,000)	(127,000)
Interest on obligation	(64,000)	(56,000)
Expected return on scheme assets	46,000	29,000
Total	<u>(186,000)</u>	<u>(154,000)</u>
Actual return on scheme assets	<u>31,000</u>	<u>63,000</u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,642,000	1,160,000
Current service cost	168,000	127,000
Interest cost	64,000	56,000
Contributions by scheme participants	36,000	31,000
Actuarial Losses	13,000	306,000
Benefits paid	(51,000)	(38,000)
Closing defined benefit obligation	<u>1,872,000</u>	<u>1,642,000</u>

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FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

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

	2015	<i>2014</i>
	£	£
Opening fair value of scheme assets	730,000	<i>421,000</i>
Expected return on assets	46,000	<i>29,000</i>
Actuarial gains and (losses)	(14,000)	<i>168,000</i>
Contributions by employer	139,000	<i>119,000</i>
Contributions by employees	36,000	<i>31,000</i>
Benefits paid	(51,000)	<i>(38,000)</i>
	886,000	<i>730,000</i>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £148,000 (2014 - £121,000).

The academy expects to contribute £142,000 to its Defined Benefit Pension Scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	<i>2014</i>
Equities	70.00 %	<i>81.00 %</i>
Bonds	25.00 %	<i>13.00 %</i>
Property	4.00 %	<i>4.00 %</i>
Cash	1.00 %	<i>2.00 %</i>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	<i>2014</i>
Discount rate for scheme liabilities	3.70 %	<i>3.70 %</i>
Expected return on scheme assets at 31 August	3.70 %	<i>5.80 %</i>
Rate of increase in salaries	4.50 %	<i>4.40 %</i>
Rate of increase for pensions in payment / inflation	2.60 %	<i>2.60 %</i>

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

	2015	<i>2014</i>
Retiring today		
Males	22.5	<i>22.5</i>
Females	24.7	<i>24.7</i>
Retiring in 20 years		
Males	24.6	<i>24.6</i>
Females	27	<i>27.0</i>

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28. PENSION COMMITMENTS (continued)

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(1,872,000)	<i>(1,642,000)</i>	<i>(1,160,000)</i>	<i>(955,000)</i>
Scheme assets	886,000	<i>730,000</i>	<i>421,000</i>	<i>224,000</i>
Deficit	(986,000)	<i>(912,000)</i>	<i>(739,000)</i>	<i>(731,000)</i>
Experience adjustments on scheme liabilities	(13,000)	<i>(306,000)</i>	<i>(21,000)</i>	<i>1,000</i>
Experience gains on assets	(14,000)	<i>168,000</i>	<i>38,000</i>	<i>(1,000)</i>

29. OPERATING LEASE COMMITMENTS

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	18,780	<i>1,317</i>
Between 2 and 5 years	4,562	<i>22,030</i>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

30. 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.

The Academy Trust company occupies land (including buildings) which are owned by its Trustees who are the Diocese of Southwark. The Trustees are the providers of the academies on the same basis as when the academies were maintained schools. The Academy Trust company occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust company for the time being, but does not vest any rights over the land in the Academy Trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the Academy Trust company will not be recognised on the balance sheet of the company.

Sr M Donovan, a Trustee, is the Chair of the Trustees for the Sisters of the Holy Cross. In the event that the occupation of the land (including buildings) on which the Academy Trust was sold by the Trustees of the Diocese of Southwark for non-educational purposes, a percentage of the proceeds is to be given to the Sisters of the Holy Cross.

31. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2015 the trust received £16,380 and disbursed £9,244 from the fund. An amount of £7,136 is included in other creditors relating to undistributed funds that are repayable to the EFA.