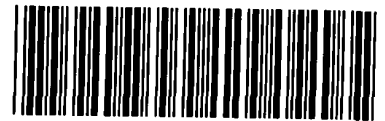


Company Registration No. 08212425 (England and Wales)

**BRENTWOOD URSULINE CONVENT HIGH SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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COMPANIES HOUSE

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

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# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

R Wilkin (Headteacher and Accounting Officer)\*  
Sr A Spilberg – Resigned 31<sup>st</sup> July 2017  
B Cabras  
T Kemp (Chair)\*  
A Binnell\*  
M Roche – Resigned 22<sup>nd</sup> May 2017  
Mr D Tee  
J Beadle  
D Sammy - Appointed on 1<sup>st</sup> March 2017  
T Orritt- Staff Governor - Appointed on 1<sup>st</sup> March 2017  
Father P Daly - Appointed on 1<sup>st</sup> March 2017  
L Hepher - Appointed on 1<sup>st</sup> March 2017  
C Hossack - Appointed on 26<sup>th</sup> Jan 2017  
F Taylor - Appointed on 1<sup>st</sup> March 2017

\* Members of the Finance and Premises Committee

### Members

T Kemp  
A Williams  
R Simpson

### Company Secretary

C French (Resigned 30 April 2017)  
C Cowler (Appointed 22 May 2017)

### Senior management team

- Headteacher	R Wilkin
- Deputy Headteacher	A Corless
- Assistant Headteacher	K Wenborne
- Assistant Headteacher	M Doe
- Assistant Headteacher	A Pittaway
- Assistant Headteacher	A Kwasnica
- Assistant Headteacher	S Sullivan
- Business Manager	C French (Resigned 31 May 2017)
- Business Manager	C Cowler (Appointed 1 <sup>st</sup> June 2017)

### Company registration number

08212425 (England and Wales)

### Registered office

Queens Road  
Brentwood  
CM14 4EX  
United Kingdom

### Independent auditor

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

### Bankers

HSBC  
91 High Street  
Brentwood  
Essex  
CM14 4RU

### Solicitors

Winckworth Sherwood  
Minerva House  
5 Montague Close  
London SE1 9BB

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

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The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2016/17 issued by the ESFA.

The principal activity of the company is the operation of a state-funded Academy, Brentwood Ursuline Convent High School, providing a state education for students aged 11 to 18. It has a pupil capacity of 1047 and had a roll of 1074 in the school census on 02.02.2017.

#### **Structure, governance and management**

##### Constitution

The academy trust was incorporated as a company on 12/09/2012 and the predecessor school converted to academy status on 01/10/2012. The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Brentwood Ursuline Convent High School Academy Trust Limited are also the directors of the charitable company for the purposes of company law and they are the governors of the Academy.

The charitable company is known as Brentwood Ursuline Convent High School.

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

##### Members' liability

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

##### Trustees' Indemnities

The trust has not given any indemnity in respect of any of its trustees.

##### Method of recruitment and appointment or election of trustees

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

- a) 6 Foundation Governors recruiting 1
- b) 1 staff governors elected by the staff
- c) 3 parent governors elected by parents
- d) 1 community governors recruiting 1
- e) The Headteacher

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

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as governors.

### Organisational structure

The board of governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least three times a year and has one committee, the other committees ceased in 2015.

The Finance & Premises Committee also fulfils the functions of an Audit Committee.

The committee is formally constituted with terms of reference and comprises of appropriately qualified and experienced members.

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

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

The Principal is the Accounting Officer and the Business Manager is the Chief Finance Officer.

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

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

The pay of the Headteacher is set annually by the HR/Pay Committee, having regards to performance against objectives set the previous year and within a stated ISR (pay range) determined by the HR/Pay Committee. Pay of other SLT members is set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Headteacher and with reference to the National Leadership pay scale.

### Related Parties and other Connected Charities and Organisations

The company trust does not have connected organisations or related party relationships.

### **Objectives and activities**

#### Objects and aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of Brentwood Ursuline Convent High School, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its students.

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **TRUSTEES' REPORT**

***FOR THE YEAR ENDED 31 AUGUST 2017***

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### **Objectives, strategies and activities**

The long-term strategic intention of BUCHS is:

- To be the highest-achieving non-selective school in the Diocese and the Local Authority, regularly achieving in the 80s for GCSE (with M & E) and 60s for A2 A\*-B, resulting in an Ofsted grading of Outstanding at the next inspection.
- Excellence in STEM, complemented by an active programme of high-quality creative opportunities, some of which will be taught and some extra-curricular.
- To enhance our Ursuline ethos by developing Catholic leadership of the highest quality amongst students and staff.

Medium term aims 2016-18:

1. Achieve a position in the second quintile of 'similar schools' in the Ofsted Data Dashboard
2. Ensure that students in the Upper Band of ability meet or exceed challenging Minimum Target Grades
3. Achieve a 5+ Value Added score for all subjects in ALPS
4. Increase recruitment into Year 12 to at least 120 students
5. Promote STEM to increase take up of sciences at A Level
6. Manage the school's finances to stay within budgetary constraints
7. Manage external relations to ensure a positive public profile for the school

These priorities reflect the most important areas for attention in the light of the Ofsted inspection 2014. There are many other important activities that are not included in the plan because they are a continuation from previous years of our work to improve all aspects of the school. This plan should be read in the light of the more constrained funding available over the plan period and the need to make efficiency savings in as many areas as possible.

### Public benefit

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

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

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### Strategic report

1. Attainment

2017 GCSE results were amongst the highest ever achieved at the school. 91% of students gained a pass in both English and Maths. 32% of grades were A\* or A.

This once again puts Brentwood Ursuline near the top of schools in Essex.

A level results were a little below last year but still respectable by national standards: A\*-C was 75%, with two successful Oxbridge candidates.

2. Progress

The national Progress 8 benchmark is not yet known, but initial estimates indicate a greatly improved P8 from last year in all areas of the curriculum. Pupil Premium P8 is not as strong as last year but there were significant non-attendance issues with some students that meant some did not take exams.

3. Quality Assurance

The school continues to refine its robust QA systems and the quality of assessment data has been shown to have improved significantly over the last two years. A 'trial run' of safeguarding inspection in the spring of 2017 was positive. Governors have increased their involvement in monitoring and the school is confident that the quality of leadership and management is still outstanding (as shown in the Ofsted inspection 2014).

4. Attendance

Attendance in 2016-17 was 95%, which met the school target.

5. The curriculum

The curriculum has remained broad, despite financial challenges. Almost all students take a language at GCSE; dance, drama and music continue to have a high profile; BTEC Business Studies post-16 remains popular.

6. The Sixth Form

Recruitment to Year 12 in 2017 was not as high as we would have liked, with 100 students, 20 less than our ideal figure. The quality of the intake is high but the reduced numbers will result in funding pressure.

Nevertheless, the new Sixth Form Café has been popular and new study facilities have improved the use of study periods significantly.

Key Financial Performance Indicators are;

*The ratio of current assets: current liabilities should be at least 1.7:1.*

At 31 August 2017, the ratio was 1.70 (2016: 2.49 :1).

*Staff costs as a % of ESFA & LEA funding (excluding Capital grants) should not exceed 85%.*

For 2016/2017 the percentage is 93.50% (2015/2016: 88.78%).

*The revenue budget (excluding FRS17 LGPS deficit movements) should remain in breakeven or even better.*

For 2016/2017 the revenue deficit was (£218k) (2016: deficit (£79k) and the carry forward was £33k (2016: £251k).

### Going concern

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

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

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### Financial review

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

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending. Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

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

The following balances held were held at 31 August;

Fund	Category	2017 £'000	2016 £'000
GAG	Restricted General Funds	-	-
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	33	139
<b>Sub-total General Restricted Funds</b>		<b>33</b>	<b>139</b>
Unspent Capital Grants	Restricted Fixed Asset Fund	-	-
Other Income	Unrestricted General Fund	-	112
<b>Sub-Total</b>	<b>Spendable Funds</b>	<b>33</b>	<b>251</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	28	28
Share of LGPS Deficit	Restricted Pension Reserve	(3,075)	(3,062)
<b>Total</b>	<b>All Funds</b>	<b>3,014</b>	<b>(2,783)</b>

### Reserves policy

The principal policy on reserves is that accumulation of unspent General Annual Grant balances should not breach any limits thereon set out in the Funding agreement. The level of reserves should never be in deficit.

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

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# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Investment policy

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

### Principal risks and uncertainties

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

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

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

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

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

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

### **Plans for future periods**

Priorities 2017-18

Maintain high retention rates between Key Stage 4 and 5.

Introduce and deliver new educational reforms and subject specifications at Key Stage 4 and Key Stage 5 resulting in successful delivery from 2017 onwards.

The longer-term strategic intention of BUCHS is:

- To be the highest-achieving non-selective school in the Diocese and the Local Authority
- Excellence in STEM, complemented by an active programme of high-quality creative opportunities
- To enhance our Ursuline ethos by developing Catholic leadership of the highest quality amongst students and staff.

### **Funds held as custodian trustee on behalf of others**

The company does not hold funds as a Custodian Trustee on behalf of others.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Auditor

In so far 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 order of the board of trustees, as the company directors, on 14<sup>th</sup> December 2017 and signed on its behalf by:



.....  
T Kemp  
Chair

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Brentwood Ursuline Convent High 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 R Wilkin, 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 Brentwood Ursuline Convent High School and the Secretary of State for Education. The accounting officer is 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 10 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
R Wilkin (Headteacher and Accounting Officer)	9	10
T Kemp(Chair)	10	10
P Daly	7	9
J Beadle	7	10
B Cabras	6	10
L Hepher	5	8
F Taylor	5	8
Sr A Spilberg	8	8
A Binnell	7	10
D.Sammy	8	10
C Hossack	5	6
M Roche	4	8
D Tee	10	10
T Orritt	10	10

### Governance reviews:

The school has been visited by Ofsted and Diocesan Inspectorate between May and July 2014. The following comments regarding Governance are referenced in both reports:

In common with the school as a whole, the governing body has used the last 19 months to identify its strengths and build upon them very effectively by making improvements in some key areas. It has significantly increased and improved its corporate knowledge of the quality of teaching by overseeing rigorous reviews of subject departments. It has also improved the thoroughness with which it analyses performance data and challenges the school to raise standards.

Governors ask searching questions of the school's leadership to check whether targets are being met and are very clear on the link between teacher performance and outcomes for pupils. They have played a key role in ensuring that the performance management of teachers has improved in its rigour and pay rises are awarded only when performance is good or better. This is now a strong driver for improvement across the school.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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The Chair and Deputy Chair of Governors work extremely hard for the school and take charge of areas such as child protection and safety. The governors ensure that the school meets all statutory safeguarding requirements.

Governors brought onto the governing body more recently have provided fresh impetus and new skills in, for example, performance management and business processes. There are some particularly strong parent governors who demonstrate a clear understanding of their role in ensuring that the school's trajectory of improvement is maintained.

The Finance and Premises Committee is a sub-committee of the main board of governors. The Finance & Premises Committee also fulfils the functions of an Audit Committee.

Attendance at Finance and Premises Committee meetings during the year was as follows:

Governors	Meetings attended	Out of possible
T Kemp (Chair of Committee)	4	5
R Wilkin	5	5
D Sylvester (Associate Governor)	1	1
D Tee	4	5
A Binnell	2	5

### Review of Value for Money

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

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

- Development of the website to manage external relations to ensuring a positive profile of the school
- Commencement of a review of Associate staff roles with the view to a cost effective restructure.
- Office space has been rationalised
- Premises staff completed extensive work over the summer period to provide extra classroom space
- Safeguarding has been improved within the reception area
- Teachers have moved to a 6 period day to improve efficiency.
- The 6<sup>th</sup> form environment has been improved with the introduction of a 6<sup>th</sup> form café and formalised study areas.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Brentwood Ursuline Convent High School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts.

### Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The LEA Responsible officer provides reports to the Governing body 3 times a year

The LEA/Responsible Officer visited 3 times during the year

Checks carried out included

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

A summary of key RO significant findings from the bought in services and actions implemented or planned in response thereto follows;

Recommendations from Responsible Officer service/Auditor and response from school with bullet points.

- 3 Governors had not attended meetings at the time of checking the Business Interest Register and had therefore not completed their Business Interest form.
- Suppliers Bacs details should be checked if not attached to an approved invoice
- An independent review of lettings invoices should be arranged. – Lettings invoices are now being raised within the FMS finance package.
- Business Interest forms have been updated and received from all Governors using the NGA template.
- The scheme of financial delegation will be reviewed by Governors annually.
- There will be a three year forecast produced for governors annually and reviewed within the year
- All Governor and Trustee information is up to date on the EduBase website
- Employment status Indicator from HMRC should be used for payments to individuals. - Governors have decided they would like to continue paying mileage claims through bacs
- The Financial Regulations should be updated to include who may authorise special payments to school staff.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

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### 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:

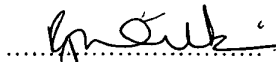
- the work of the Responsible Officer/LA Contractor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the board of trustees on 14<sup>th</sup> December 2017 and signed on its behalf by:



.....  
T Kemp  
Chair



.....  
R Wilkin  
Headteacher and Accounting Officer

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

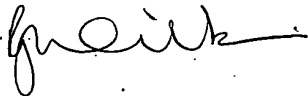
**FOR THE YEAR ENDED 31 AUGUST 2017**

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As accounting officer of Brentwood Ursuline Convent High School I have considered my responsibility to notify the Academy Trust 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 Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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.



R Wilkin  
**Accounting Officer**

14 December 2017

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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The trustees (who also act as governors for Brentwood Ursuline Convent High School and are also the directors of Brentwood Ursuline Convent High School 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 in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Board of Trustees on 14 December 2017 and signed on its behalf by:



T Kemp  
Chair

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRENTWOOD URSULINE CONVENT HIGH SCHOOL

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### Opinion

We have audited the Financial Statements of Brentwood Ursuline Convent High School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRENTWOOD URSULINE CONVENT HIGH SCHOOL (CONTINUED)**

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### **Other information**

The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRENTWOOD URSULINE CONVENT HIGH SCHOOL (CONTINUED)**

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### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

**David John Walsh FCCA (Senior Statutory Auditor)**  
**For and on behalf of Baxter & Co**  
**Statutory Auditor**  
**Chartered Certified Accountants**  
Lynwood House  
Crofton Road  
Orpington  
Kent BR6 8QE

Dated: 8 December 2017

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRENTWOOD URSULINE CONVENT HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 15 October 2012 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 Brentwood Ursuline Convent High School during the period 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 Brentwood Ursuline Convent High School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Brentwood Ursuline Convent High School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Brentwood Ursuline Convent High School and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Brentwood Ursuline Convent High School's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Brentwood Ursuline Convent High School's funding agreement with the Secretary of State for Education dated 8 October 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 period 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 ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.9 of the Academies Financial Handbook 2016, issued by the ESFA.

# **BRENTWOOD URSULINE CONVENT HIGH SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRENTWOOD URSULINE CONVENT HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

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### **Conclusion**

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

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

Dated: 18 December 2017

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000	Total 2016 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	10	-	22	32	51
Charitable activities:						
- Funding for educational operations	4	8	5,208	-	5,216	5,301
Other trading activities	5	65	318	-	383	301
Investments	6	-	-	-	-	1
<b>Total income and endowments</b>		<u>83</u>	<u>5,526</u>	<u>22</u>	<u>5,631</u>	<u>5,654</u>
<b>Expenditure on:</b>						
Raising funds	7	3	-	-	3	6
Charitable activities:						
- Educational operations	8	22	6,000	30	6,052	6,021
<b>Total expenditure</b>	7	<u>25</u>	<u>6,000</u>	<u>30</u>	<u>6,055</u>	<u>6,027</u>
<b>Net income/(expenditure)</b>		58	(474)	(8)	(424)	(373)
Transfers between funds		(170)	162	8	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	193	-	193	(880)
<b>Net movement in funds</b>		(112)	(119)	-	(231)	(1,253)
<b>Reconciliation of funds</b>						
Total funds brought forward		112	(2,923)	28	(2,783)	(1,530)
Total funds carried forward		-	(3,042)	28	(3,014)	(2,783)

The comparative figures for 2016 are analysed according to fund on the next page of these financial statements.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2017

### SUPPLEMENTARY NOTE: COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2016 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	4	25	22	51
Charitable activities:					
- Funding for educational operations	4	4	5,297	-	5,301
Other trading activities	5	24	277	-	301
Investments	6	1	-	-	1
<b>Total income and endowments</b>		<u>33</u>	<u>5,599</u>	<u>22</u>	<u>5,654</u>
<b>Expenditure on:</b>					
Raising funds	7	6	-	-	6
Charitable activities:					
- Educational operations	8	157	5,863	1	6,021
<b>Total expenditure</b>	7	<u>163</u>	<u>5,863</u>	<u>1</u>	<u>6,027</u>
<b>Net income/(expenditure)</b>		(130)	(264)	21	(373)
Transfers between funds		-	175	(175)	-
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes	19	-	(880)	-	(880)
<b>Net movement in funds</b>		(130)	(969)	(154)	(1,253)
<b>Reconciliation of funds</b>					
Total funds brought forward		242	(1,954)	182	(1,530)
Total funds carried forward		<u>112</u>	<u>(2,923)</u>	<u>28</u>	<u>(2,783)</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017		2016	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		28		28
<b>Current assets</b>					
Debtors	13	86		87	
Cash at bank and in hand		381		651	
		467		738	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(275)		(296)	
<b>Net current assets</b>			192		442
<b>Total assets less current liabilities</b>			220		470
Creditors: amounts falling due after more than one year	15		(159)		(191)
<b>Net assets excluding pension liability</b>			61		279
Defined benefit pension liability	19		(3,075)		(3,062)
<b>Total net assets</b>			(3,014)		(2,783)
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			28		28
- Restricted income funds			33		139
- Pension reserve			(3,075)		(3,062)
<b>Total restricted funds</b>			(3,014)		(2,895)
<b>Unrestricted income funds</b>	17		-		112
<b>Total funds</b>			(3,014)		(2,783)

The Financial Statements set out on pages 20 to 43 were approved by the Board of Trustees and authorised for issue on 14 December 2017 and are signed on its behalf by:

.....  
T Kemp  
Chair

Company Number 08212425

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £'000	2016 £'000	2016 £'000
<b>Cash flows from operating activities</b>				
Net cash used in operating activities	20		(252)	(240)
<b>Cash flows from investing activities</b>				
Dividends, interest and rents from investments		-	1	
Capital grants from DfE and ESFA		22	22	
Payments to acquire tangible fixed assets		(8)	(26)	
			14	(3)
<b>Cash flows from financing activities</b>				
Repayment of long term bank loan		(32)	(32)	
			(32)	(32)
<b>Change in cash and cash equivalents in the reporting period</b>			(270)	(275)
Cash and cash equivalents at 1 September 2016			651	926
<b>Cash and cash equivalents at 31 August 2017</b>			<u>381</u>	<u>651</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

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

#### 1.1 Basis of preparation

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

Brentwood Ursuline Convent High School meets the definition of a public benefit entity under FRS 102.

#### 1.2 Going concern

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

#### 1.3 Income

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

##### Grants receivable

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

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

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

##### Sponsorship income

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

##### Donations

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

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1 Accounting policies

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

##### Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

#### 1.5 Tangible fixed assets and depreciation

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

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

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

Fixtures, fittings & equipment	Over 5 years
Motor vehicles	Over 5 years

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

#### 1.6 Liabilities

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

#### 1.7 Leasing and hire purchase commitments

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1 Accounting policies

##### 1.9 Taxation

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

##### 1.10 Pensions benefits

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

###### Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, 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 are recognised in the period to which they relate.

###### Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

##### 1.11 Fund accounting

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

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

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

##### 1.12 Agency Arrangement

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 25.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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.

#### Critical areas of judgement

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

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Capital grants	-	22	22	22
Other donations	10	-	10	29
	<u>10</u>	<u>22</u>	<u>32</u>	<u>51</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	4,833	4,833	4,840
Other DfE / ESFA grants	-	79	79	78
	-	4,912	4,912	4,918
<b>Other government grants</b>				
Local authority grants	-	11	11	3
<b>Other funds</b>				
Other incoming resources	8	285	293	380
<b>Total funding</b>	<b>8</b>	<b>5,208</b>	<b>5,216</b>	<b>5,301</b>

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Hire of facilities	65	-	65	24
Catering income	-	318	318	277
	65	318	383	301

### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Short term deposits	-	-	-	1

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 7 Expenditure

	Staff costs £'000	Premises & occupancy costs £'000	Other costs £'000	Total 2017 £'000	Total 2016 £'000
Expenditure on raising funds	3	-	-	3	6
Academy's educational operations					
- Direct costs	3,731	6	406	4,143	4,164
- Allocated support costs	1,162	274	473	1,909	1,857
	<u>4,896</u>	<u>280</u>	<u>879</u>	<u>6,055</u>	<u>6,027</u>

Net income/(expenditure) for the year includes:

	2017 £'000	2016 £'000
Fees payable to auditor for:		
- Audit	9	9
- Other services	5	5
Operating lease rentals	-	2
Depreciation of tangible fixed assets	8	1
Net interest on defined benefit pension liability	62	74
	<u>74</u>	<u>91</u>

Included within expenditure are the following transactions:

	2017 £
Gifts made by the trust - total	<u>260</u>

(Clarification note - While many of the disclosures within these accounts are rounded to £'000, the above are not; i.e. gifts made by the trust amounted to £260 and not £260k.)

### 8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Direct costs - educational operations	22	4,121	4,143	4,164
Support costs - educational operations	-	1,909	1,909	1,857
	<u>22</u>	<u>6,030</u>	<u>6,052</u>	<u>6,021</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 8 Charitable activities

	Total 2017 £'000	Total 2016 £'000
<b>Analysis of support costs</b>		
Support staff costs	1,162	1,013
Depreciation and amortisation	2	1
Technology costs	20	3
Premises and occupancy costs	272	463
Other support costs	429	334
Governance costs	24	43
	<u>1,909</u>	<u>1,857</u>

### 9 Staff costs

	2017 £'000	2016 £'000
Wages and salaries	3,684	3,517
Social security costs	351	294
Operating costs of defined benefit pension schemes	696	624
Apprenticeship levy	1	-
Staff costs	<u>4,732</u>	<u>4,435</u>
Supply staff costs	149	202
Staff restructuring costs	15	-
Total staff expenditure	<u>4,896</u>	<u>4,637</u>

#### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is a single non-statutory/non-contractual severance payment of £15k.

#### Staff numbers

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

	2017 Number	2016 Number
Teachers	69	66
Administration and support	69	66
Management	8	7
	<u>146</u>	<u>139</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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### 9 Staff costs

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

	2017 Number	2016 Number
Teachers	63	63
Administration and support	47	48
Management	8	7
	<u>118</u>	<u>118</u>

#### Higher paid staff

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

	2017 Number	2016 Number
£60,000 - £70,000	1	1
£90,001 - £100,000	1	1
	<u>2</u>	<u>2</u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions, excluding employer NIC) received by key management personnel for their services to the Academy Trust was £547,138.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 10 Trustees' remuneration and expenses

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

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

R J Wilkin (Headteacher):

- Remuneration £95,000 - £100,000 (2016: £90,000 - £95,000)
- Employer's pension contributions £15,000 - £20,000 (2016: £10,000 - £15,000)

J Lewis (Staff Governor):

- Remuneration Not appointed this year (2016: £10,000 - £15,000)
- Employer's pension contributions Not appointed this year (2016: £0 - £5,000)

T Orritt (Staff Governor):

- Remuneration £40,000 - £45,000 (2016: £10,000 - £15,000)
- Employer's pension contributions £5,000 - £10,000 (2016: £0 - £5,000)

During the year, expenditure payments totalling £53 (2016: £318) were reimbursed or paid directly to 1 trustees (2016: 3 Trustees). Reimbursements were made for expenses incurred in the normal course of employment.

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

#### 11 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 (2016: £1,000,000) on any one claim and the cost for the year ended 31 August 2017 was £278.91 (2016: £1,052). The cost of this insurance is included in the total insurance cost.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 12 Tangible fixed assets

	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>			
At 1 September 2016	5	26	31
Additions	8	-	8
At 31 August 2017	<u>13</u>	<u>26</u>	<u>39</u>
<b>Depreciation</b>			
At 1 September 2016	3	-	3
Charge for the year	3	5	8
At 31 August 2017	<u>6</u>	<u>5</u>	<u>11</u>
<b>Net book value</b>			
At 31 August 2017	<u>7</u>	<u>21</u>	<u>28</u>
At 31 August 2016	<u>2</u>	<u>26</u>	<u>28</u>

The Academy occupies the Land & Buildings under the terms of a licence to occupy that does not confer substantially all of the risks and rewards of ownership. The land and buildings are owned by Ursuline Sisters Brentwood Trustees (the landlord) upon charitable trusts under a charitable endowment in connection with the Congregation of the Sisters of the Order of St Ursula of the Diocese of Brentwood. The land and buildings have been leased by the landlord to The Brentwood Roman Catholic Diocese Trustee (the tenant) under the terms of a 42 year lease. The landlord has agreed that the tenant and the academy trust could jointly enter into a supplemental agreement with the Secretary of State for Education which grants the academy trust the right to occupy the land and buildings, subject inter-alia to the landlord's ability to give two year's notice of termination of the agreement.

The Trustees of the academy trust have considered carefully the requirements of and guidance notes within the Academies Accounts Direction 2016 to 2017 issued by the ESFA. They have concluded, taking into account the rights and obligations placed upon the academy trust by the supplemental agreement, that the substance of the arrangement is not materially different to its legal form. Accordingly they have concluded that it would be misleading to recognise the academy's right to occupy its buildings as a fixed asset on its balance sheet.

### 13 Debtors

	2017 £'000	2016 £'000
Trade debtors	1	-
VAT recoverable	20	28
Other debtors	38	21
Prepayments and accrued income	27	38
	<u>86</u>	<u>87</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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<b>14 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Loans	32	32
Trade creditors	2	-
Other taxation and social security	93	95
Other creditors	87	68
Accruals and deferred income	61	101
	<u>275</u>	<u>296</u>

The Salix energy loan is repayable over eight years. Annual repayments of £31,830 are to be made in two instalments of £15,915 each per annum. The loan is interest free.

<b>15 Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Loans	<u>159</u>	<u>191</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	191	223
Less: included in current liabilities	(32)	(32)
Amounts included above	<u>159</u>	<u>191</u>
Instalments not due within five years	<u>32</u>	<u>64</u>
<b>Loan maturity</b>		
Debt due in one year or less	32	32
Due in more than one year but not more than two years	32	32
Due in more than two years but not more than five years	95	95
Due in more than five years	32	64
	<u>191</u>	<u>223</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

16 Deferred income	2017 £'000	2016 £'000
Deferred income is included within:		
Creditors due within one year	13	47
Deferred income at 1 September 2016	47	27
Released from previous years	(47)	(27)
Amounts deferred in the year	13	47
<b>Deferred income at 31 August 2017</b>	<b>13</b>	<b>47</b>

Deferred income relates to trips and similar income of £13k (2016: £38k) received in advance; and rates grants of £nil (2016: £9k).

17 Funds	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
<b>Restricted general funds</b>					
General Annual Grant	-	4,833	(5,140)	307	-
Other DfE / ESFA grants	-	15	(15)	-	-
Pupil premium	-	64	(64)	-	-
Other government grants	-	11	(11)	-	-
Other restricted funds	139	603	(564)	(145)	33
Funds excluding pensions	139	5,526	(5,794)	162	33
Pension reserve	(3,062)	-	(206)	193	(3,075)
	<u>(2,923)</u>	<u>5,526</u>	<u>(6,000)</u>	<u>355</u>	<u>(3,042)</u>
<b>Restricted fixed asset funds</b>					
DfE / ESFA capital grants	-	22	(22)	-	-
Capital expenditure from GAG and other funds	28	-	(8)	8	28
	<u>28</u>	<u>22</u>	<u>(30)</u>	<u>8</u>	<u>28</u>
<b>Total restricted funds</b>	<u>(2,895)</u>	<u>5,548</u>	<u>(6,030)</u>	<u>363</u>	<u>(3,014)</u>
<b>Unrestricted funds</b>					
General funds	112	83	(25)	(170)	-
<b>Total funds</b>	<u>(2,783)</u>	<u>5,631</u>	<u>(6,055)</u>	<u>193</u>	<u>(3,014)</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 17 Funds

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

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

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

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

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

#### Movements in funds - previous year

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2016 £'000
<b>Restricted general funds</b>					
General Annual Grant	(22)	4,840	(5,018)	200	-
Other DfE / ESFA grants	-	78	(78)	-	-
Other government grants	-	3	(3)	-	-
Other restricted funds	110	678	(624)	(25)	139
	<u>88</u>	<u>5,599</u>	<u>(5,723)</u>	<u>175</u>	<u>139</u>
Funds excluding pensions					
Pension reserve	(2,042)	-	(140)	(880)	(3,062)
	<u>(1,954)</u>	<u>5,599</u>	<u>(5,863)</u>	<u>(705)</u>	<u>(2,923)</u>
<b>Restricted fixed asset funds</b>					
DfE / ESFA capital grants	179	22	-	(201)	-
Capital expenditure from GAG and other funds	3	-	(1)	26	28
	<u>182</u>	<u>22</u>	<u>(1)</u>	<u>(175)</u>	<u>28</u>
<b>Total restricted funds</b>	<u>(1,772)</u>	<u>5,621</u>	<u>(5,864)</u>	<u>(880)</u>	<u>(2,895)</u>
<b>Unrestricted funds</b>					
General funds	242	33	(163)	-	112
<b>Total funds</b>	<u>(1,530)</u>	<u>5,654</u>	<u>(6,027)</u>	<u>(880)</u>	<u>(2,783)</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 18 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2017
	£'000	£'000	£'000	£'000
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	28	28
Current assets	-	467	-	467
Creditors falling due within one year	-	(275)	-	(275)
Creditors falling due after one year	-	(159)	-	(159)
Defined benefit pension liability	-	(3,075)	-	(3,075)
	-	(3,042)	28	(3,014)
<b>Fund balances at 31 August 2016 are represented by:</b>				
Tangible fixed assets	-	-	28	28
Current assets	112	626	-	738
Creditors falling due within one year	-	(296)	-	(296)
Creditors falling due after one year	-	(191)	-	(191)
Defined benefit pension liability	-	(3,062)	-	(3,062)
	112	(2,923)	28	(2,783)

### 19 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £77k (2016: £69k) were payable to the schemes at 31 August 2017 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.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 19 Pensions and similar obligations

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
- 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 the TPS in the period amounted to £414k (2016: £ 391k).

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

Under the definitions set out in FRS 102, the TPS is 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 pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.5% for employers and 5.5% to 12.5% for employees.

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

**BRENTWOOD URSULINE CONVENT HIGH SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**19 Pensions and similar obligations**

<b>Total contributions made</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	183	172
Employees' contributions	57	57
	<u>240</u>	<u>229</u>
<b>Principal actuarial assumptions</b>	<b>2017</b>	<b>2016</b>
	<b>%</b>	<b>%</b>
Rate of increases in salaries	4.20	4.00
Rate of increase for pensions in payment	2.70	2.20
Discount rate	2.50	2.10
RPI increases	3.60	3.10
CPI increases	<u>2.70</u>	<u>2.20</u>

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

	<b>2017</b>	<b>2016</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	22.2	22.9
- Females	24.7	25.3
Retiring in 20 years		
- Males	24.3	25.2
- Females	<u>27.0</u>	<u>27.7</u>

**Sensitivity Analysis**

Scheme liabilities have been valued at £5,105k. This value would change if the assumptions underlying it were amended. The liability would have been affected by changes in assumptions as follows:

	<b>2017</b>	<b>2016</b>
Discount rate + 0.1%	5,015	4,798
Discount rate - 0.1%	5,197	4,874
Life expectancy + 1 year	5,289	5,016
Life expectancy - 1 year	<u>4,928</u>	<u>4,756</u>

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 19 Pensions and similar obligations

The Academy Trust's share of the assets in the scheme	2017 Fair value £'000	2016 Fair value £'000
Equities	1,324	1,249
Other Bonds	79	82
Gilts	126	65
Cash	63	-
Property	197	202
Other assets	241	224
Total market value of assets	<u>2,030</u>	<u>1,822</u>
Actual return on scheme assets - gain/(loss)	<u>139</u>	<u>223</u>
<b>Amounts recognised in the statement of financial activities</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Current service cost	327	238
Interest income	(39)	(57)
Interest cost	101	131
Total operating charge	<u>389</u>	<u>312</u>
<b>Changes in the present value of defined benefit obligations</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
Obligations at 1 September 2016	4,884	3,441
Current service cost	327	237
Interest cost	101	131
Employee contributions	57	57
Actuarial (gain)/loss	(93)	1,047
Benefits paid	(171)	(29)
At 31 August 2017	<u>5,105</u>	<u>4,884</u>

**BRENTWOOD URSULINE CONVENT HIGH SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**19 Pensions and similar obligations**

**Changes in the fair value of the Academy Trust's share of scheme assets**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Assets at 1 September 2016	1,822	1,399
Interest income	39	56
Actuarial gain	100	167
Employer contributions	183	172
Employee contributions	57	57
Benefits paid	(171)	(29)
At 31 August 2017	<u>2,030</u>	<u>1,822</u>
Total pension scheme assets	(5,105)	(4,884)
Total pension scheme liabilities / obligations	<u>2,030</u>	<u>1,822</u>
<b>Net Defined Benefit Pension liability</b>	<u>(3,075)</u>	<u>(3,062)</u>

**20 Reconciliation of net expenditure to net cash flows from operating activities**

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Net expenditure for the reporting period	(424)	(373)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(22)	(22)
Investment income receivable	-	(1)
Defined benefit pension costs less contributions payable	144	66
Defined benefit pension net finance cost	62	74
Depreciation of tangible fixed assets	8	1
Decrease in debtors	1	31
(Decrease) in creditors	(21)	(16)
<b>Net cash used in operating activities</b>	<u>(252)</u>	<u>(240)</u>

**21 Capital commitments**

At 31 August 2017 the academy had no capital commitments.

# BRENTWOOD URSULINE CONVENT HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

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#### 22 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £'000	2016 £'000
Amounts due within one year	-	2

#### 23 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

No related party transactions took place in the period.

#### 24 Members' liability

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

#### 25 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2017 the trust received £16,385 (2016: £11,469) and disbursed £8,350 (2016: £11,469) from the fund. A balance of £8,035 (2016: £nil) was due for disbursement at 31 August 2017 and is shown in creditors: amounts falling due in one year.