

**ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Haines Watts**

Chartered Accountants & Registered Auditors  
Bridge House  
157A Ashley Road  
Hale  
Altrincham  
Cheshire  
WA14 2UT



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## CONTENTS

---

	Page
Reference and administrative details	1
Trustees' report	2 – 13
Governance statement	14 – 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditor's report on the accounts	19 – 21
Independent reporting accountant's report on regularity	22 – 23
Statement of financial activities including income and expenditure account	24
Balance sheet	25
Statement of cash flows	26
Notes to the accounts including accounting policies	27 – 44

---



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Trustees

R M Haig (Resigned 31 August 2018)  
P K Hatchman (Resigned 31 August 2018)  
M T Lalley  
H R Norwood  
B Sharp  
M A Kerr  
C Dunn (Resigned 28 February 2018)  
P C Goodwin  
A Lewis  
P Ridgway  
J Keulemans (Resigned 31 August 2018)  
Brother P G Gordon  
S Parkinson (resigned 3 September 2017)  
D Rainey (appointed 1 September 2018)

### Members

The Trustees of the Property held in connection with the English Province  
of the Congregation of Christian Brothers  
P C Goodwin  
A Lewis

### Senior management team

- Principal	J M Keulemans (Resigned 31 August 2018)
- Vice Principal	D Rainey
- Assistant Principal	P Ridgway
- Assistant Principal	P Groves
- Chief Financial Officer	S Parkinson (Resigned 3 September 2017)
- Business Manager	D Chalcraft (Appointed 19 March 2018)

### Company registration number

07827963 (England and Wales)

### Registered office

Hale Barns, Altrincham, Cheshire, WA15 0HE

### Independent auditor

Haines Watts, Bridge House, Ashley Road, Hale, Altrincham, WA14 2UT

### Bankers

National Westminster Bank Plc, 23 Stamford New Road,  
Altrincham, WA14 1DB



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

---

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

The academy trust operates an academy for pupils aged 11 to 19 serving a catchment of Pastoral Areas in South Manchester, Cheshire and the Diocese of Shrewsbury. It has a pupil capacity of 1052 and had a roll of 1004 in the July 2018 school census.

#### Structure, governance and management

##### Constitution

The academy trust is a company limited by guarantee (company number: 07827963) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of St Ambrose College Edmund Rice Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as St Ambrose College and is referred to throughout this report as 'the College'. Details of the trustees who served during the year are included in the reference and administrative details on page 1 together with details of the company's registered office address.

##### Member's liability

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

##### Trustees' indemnities

The College maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The College has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or other officers of the College. The limit of the indemnity is £2,000,000.

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

The company's articles of association provide for the election or appointment of trustees. In summary, the number of trustees shall not be less than three and has no maximum number. Ordinarily, the board of trustees consists of: up to 8 foundation trustees appointed by the chair of the trustees of the property held in connection with the English Province of the Congregation of Christian Brothers; up to 4 parent trustees appointed by parents of registered pupils in the College; up to 2 staff trustees appointed by staff members of the College; and principal ex officio.

A trustees' term of office (excluding the principal) is four years and they may be re-appointed or re-elected for further terms of office. Foundation Governors will serve no longer than 3 consecutive terms and Co-Opted Governors will serve a maximum of 2 consecutive terms of office.

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

During the year under review, the full board of trustees met four times and its committees met at least once a term. The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will provide training on educational, charity, legal and financial matters. All new trustees are given a tour of the College and the chance to meet with other trustees, staff and pupils. All plans and other documents they will need to undertake their role as trustees are provided. As there are normally very few new trustees, inductions are informal and tailored specifically to the individual. Appropriate training for all trustees is undertaken, as required, through Trust GS.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### Organisational structure

The organisational structure consists of three levels; the trustees, the senior leadership team and the faculty (subject, department and house leaders). The aim of the management structure is to devolve responsibility and encourage involvement in decision-making at all levels. The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the College by the use of budgets and making major decisions about the direction of College expenditure and matters relating to staffing (resourcing, appointing, pay and performance monitoring). The senior leadership team comprises the principal, deputy and assistant heads and the Business Manager. These managers control the College at an executive level, implementing the policies laid-down by the trustees and reporting to them. As a group, the senior leadership team is responsible for the allocation of spending within agreed budgets and the appointment of staff through appointment boards. Some spending control is devolved to members of the faculty (subject, department and house leaders' group). Spending limits exist which require authorisation by the senior leadership team. Individual budget managers include faculty leaders, department leaders (including premises and catering), subject leaders and house leaders. These managers are responsible for the day-to-day operation of the College, in particular, organising teaching and learning, pastoral and extra-curricular facilities and opportunities.

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

The board of trustees has established a Pay Committee with fully delegated authority to develop, implement and administer the pay policy on its behalf. The Pay Committee is responsible for pay determinations in accordance with the pay and appraisal policies on behalf of the board of trustees and reports back on their actions. The Pay Committee consists of three members of the board of trustees, chairs of Finance and Curriculum and General Purposes Committees and includes the principal (the principal is excluded in his own pay decisions).

### Trade union facility time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	3
Full-time equivalent employee number	3

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0% to 1%	3
More than 1% to 2%	0
More than 2% to 50%	0
More than 50% to 99%	0
100%	0

#### Percentage of pay bill spent on facility time

The total cost of facility time	£0
The total pay bill	£3,778.000
Percentage of total pay bill spent on facility time	0%

#### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
---	----

### Related parties and other connected charities and organisations

The Congregation of Christian Brothers owns the freehold of the College land that it currently leases to the College on a 99-year lease at an annual rent of one peppercorn. St Ambrose Parents' Association is a separate body which organises various fund-raising events to enhance facilities for pupils either in St Ambrose Preparatory School (a separate entity), or in the College. The St Ambrose College Charity is a separately registered charity (registration number 526013). Its sole object is the provision of financial grants to the College for the up-keep or development of premises and facilities. The St Ambrose Sports Committee is a separate body which raises funds to support the schools participation in sporting fixtures and competitions and to enhance the range and quality of sporting opportunities afforded to the pupils.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

#### Objectives and activities

##### Objects and aims

The principal object of the charitable company is the operation of St Ambrose College Edmund Rice Academy Trust to provide education for boys between the ages of 11 and 19.

##### Objectives, strategies and activities

The charitable company took over the operation of St Ambrose College on the College's conversion to academy status on 1 May 2012. Most of the College's recurrent income is obtained from the Education and Skills Funding Agency (ESFA) in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The main objectives of the College during the year ended 31 August 2018 are summarised below:-

- To ensure that every boy enjoys the same high quality education in terms of resourcing, tuition, welfare and care which accords with the Magisterium of the Roman Catholic Church and the principles of Blessed Edmund Rice and the Congregation of Christian Brothers
- To raise the standard of educational achievements of all boys
- To improve the effectiveness of the College by keeping the curriculum and organisational structure under constant review
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curricular requirements
- To provide extra-curricular activities outside the classroom to enhance each boy's personal development
- To conduct the College's business in accordance with the highest standards of integrity, probity and openness

The College's main vocational strategy is encompassed in the Blessed Edmund Rice Eight Essentials, which are:

- Evangelising the modern world
- Promoting the spiritual in Gospel
- Building a Christian community
- Compassion for those in need
- Concern for the whole person
- Striving for excellence
- Education as a Christian calling
- Education for justice

##### Public benefit

In setting of the objectives and in planning the activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees believe that the charitable company's aims are demonstrably to the public benefit.

##### Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The College carries out informal discussions for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the trustees. The College has implemented a number of detailed policies in relation to all aspects of personnel matters. The College has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

##### Equal opportunities

The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The College aims to establish equal opportunity in all areas of its activities including creating a working and learning environment in which the contribution and needs of all people are fully valued.

##### Disabled persons

There is wheelchair access to all areas throughout the College including lifts to all floors, refuge points on fire escapes and specific washroom facilities (including an alert mechanism for those in peril). The policy of the College is to support recruitment and retention of employees with disabilities. The College does this by adapting the physical environment by making support resources available and through training and career development.



**ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

---

**Strategic report**

Achievements and performance

**A Level headlines**

	2016	2017	2018
<b>Average Points score</b>	<b>135.37</b>	<b>130.59</b>	<b>145.94</b>
<b>APS Per Entry</b>	<b>37.99</b>	<b>38.67</b>	<b>38.82</b>
<b>Average Grade</b>	<b>B-</b>	<b>B</b>	<b>B</b>
<b>% of students achieving 3+ A*-B</b>	<b>46.8%</b>	<b>50%</b>	<b>52.7%</b>
<b>Overall % of grades at A*-B</b>	<b>63%</b>	<b>74.5%</b>	<b>70.5%</b>
<b>Overall % of grades at A*/A</b>	<b>34%</b>	<b>47.4%</b>	<b>40.2%</b>
<b>Overall Value Added</b>		<b>0.09</b>	<b>0.12</b>

The data in the table above shows a steady trend. Average grade continues to a B with very little difference in AP scores. The 2018 cohort was significantly academically weaker than the previous 2 cohorts based on GCSE data and therefore raw attainment data should not be expected to be higher. However, despite being weaker, the percentage of students achieving 3 x A\*-B grades increased yet again. The improvement in data is considerable when remembering that courses have become linear and we have a number of students who, under the previous modular format would not have progressed to A2. An alternative data set taking this in to account would allow for the overall A\*/A & A\*/B percentages to be more in line with last year's figures. This would be a fairer comparison against previous years when such students would have left after Lower 6<sup>th</sup>.

Our ALPS progress score of 3 continues to be red hot. In addition the college value added score for Sixth Form progress performance rose from 0.09 to 0.12.

**Progress (measured on a scale of 9-1 with 1-3 being 'red hot' and 7-9 being 'cold')**



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Subject	2017/18			2016/17			2015/16			2014/15		
	Entries	Score	Grade	Entries	Score	Grade	Entries	Score	Grade	Entries	Score	Grade
A - Art (Fine Art)	-	-	-	2	1.08	5	1	1.15	3	3	1.29	2
A - Art (Photography)	-	-	-	-	-	-	-	-	-	4	1.08	5
A - Biology	15	0.89	4	12	0.91	4	21	0.97	2	17	0.82	5
A - Business Studies	35	0.91	7	21	0.93	6	21	0.94	6	18	1.06	3
A - Chemistry	22	1.04	1	28	0.93	3	23	0.98	2	33	0.94	3
A - Computer Science	-	-	-	7	0.95	-	14	0.99	3	14	0.73	7
A - Computing	8	1.05	2	-	-	-	-	-	-	-	-	-
A - D&T (Product Design)	15	1.05	3	14	0.91	6	21	0.95	5	11	0.97	4
A - Drama & Theatre Studies	-	-	-	-	-	-	-	-	-	10	0.94	6
A - Economics	21	1.06	2	16	0.94	6	28	1.01	4	34	0.99	5
A - English Lang. & Lit.	22	1.10	2	18	1.09	2	22	0.98	5	7	1.07	3
A - English Literature	-	-	-	-	-	-	1	1.28	1	13	0.98	5
A - French	5	0.89	5	3	1.02	3	2	1.01	3	1	1.22	2
**A - General Studies	9	0.93	2	1	0.95	2	4	0.71	6	-	-	-
A - Geography	12	0.89	7	16	0.92	6	8	1.08	2	6	1.13	2
A - Government & Politics	16	1.12	2	14	0.91	7	17	1.05	3	17	1.13	2
A - History	26	0.99	4	38	0.99	4	26	1.02	3	24	1.11	2
A - Italian	1	0.75	8	-	-	-	-	-	-	-	-	-
A - Latin	-	-	-	-	-	-	-	-	-	2	1.02	4
A - Mathematics	42	0.98	4	45	0.98	4	51	1.03	3	56	0.99	4
A - Maths (Further Additional)	-	-	-	-	-	-	9	1.06	4	-	-	-
A - Maths (Further)	7	1.06	3	14	0.96	6	-	-	-	7	1.09	3
A - Music	1	1.15	1	3	0.83	6	-	-	-	5	0.89	5
A - Philosophy	-	-	-	-	-	-	11	0.98	3	-	-	-
A - Physical Education	2	1.08	2	3	0.79	7	4	0.80	7	3	0.97	4
A - Physics	10	1.02	2	23	0.84	5	25	0.91	4	24	0.85	5
A - Religious Studies	17	0.88	7	10	0.88	7	-	-	-	7	1.05	3
A - Spanish	5	1.00	3	4	0.91	5	6	0.94	5	9	1.00	4
**EPQ - Extended Project	-	-	-	-	-	-	-	-	-	5	1.18	2

The coloured table shows individual subject performance and makes for positive reading. In 2016, only 4 subjects were deemed to be 'red hot' compared to 11 now. In addition, the blue 7 next to Computing is due to 1 module – it will be a focus to be remedied in 2018/19.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### GCSE headlines

	2016	2017	2018
<b>Attainment 8</b>	<b>67.8</b>	<b>68.8</b>	<b>69.7</b>
<b>Pupil Premium</b>		<b>62.6</b>	<b>68.8</b>
<b>Non-PP</b>		<b>69.2</b>	<b>69.7</b>
<b>Trafford Average</b>		<b>56.08</b>	<b>57.82</b>
<b>Progress 8</b>		<b>0.42</b>	<b>0.51</b>
<b>Pupil Premium</b>		<b>-0.05</b>	<b>0.34</b>
<b>Non-PP</b>		<b>0.44</b>	<b>0.52</b>
<b>% 5-9 in En &amp; Ma</b>		<b>98.7%</b>	<b>96.3%</b>
<b>Pupil Premium</b>		<b>88.9%</b>	<b>100%</b>
<b>English % 5-9</b>		<b>100%</b>	<b>96.9%</b>
<b>Pupil Premium</b>		<b>100%</b>	<b>100%</b>
<b>Trafford Average</b>		<b>77.6%</b>	<b>77.4%</b>
<b>Maths % 5-9</b>		<b>98.7%</b>	<b>99.4%</b>
<b>Pupil Premium</b>		<b>88.9%</b>	<b>100%</b>
<b>Trafford Average</b>		<b>67.7%</b>	<b>69.7%</b>

The table above shows a gradual 3 year increase for Attainment 8. Attainment 8 is the average of the boys' best 8 subjects. In essence, a score of 69.7 means that the average grade of their best 8 was 6.97. A 7 is the equivalent to the old 'A' grade.

The Progress 8 score is perhaps a fairer measure of performance as we do not know the starting points of students in other schools. Our P8 score has gone up to 0.52. This is up 0.1 from 2017 and shows significant improvement. Some boys don't have KS2 scores due to coming from prep schools and therefore are not counted in P8 figures.

We are comfortably ahead of both Trafford and national averages but our main comparison will be against similar schools. Data against our similar schools is being collated.

Perhaps the stand out statistics from the table above involves our Pupil Premium (PP) cohort. We had 5 students in 2018. One focus of last year's DfE inspection was on our PP outcomes and strategy. Our 5 PP students had an A8 score in line with their non-PP counterparts and up by 6 points (over half a grade) from 2017. The P8 score went from a worrying negative score to 0.34. Our PP students made MORE progress than Non-PP using this measure.

We had 4 boys who attained the top grades (9 or A\*) across the board. Only 274 boys nationally achieved this feat so that is a particularly pleasing outcome for the college.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

An aspect of our data which might be a line of enquiry for an external inspection team would be our entry patterns for EBacc. As a Catholic school, our vision of a broad and balanced curriculum is that all students should have life and have it to the full (John 10:10). This extends to academic provision and therefore we do not insist on EBacc routes for ANY student. Other schools, both comprehensive and grammar do insist or at the very least have pathways which encourage the EBacc route. Our EBacc score will always be expected to be lower than non-Catholic grammar schools because all boys take RE as a compulsory GCSE but our EBacc statistics compared to grammar schools and similar schools is considerably lower both for entry and for actually achieving it. The government expects all students to be entered for the EBacc by 2025 (put back from 2022). In 2018, 51.6% of students were entered with 46.7% achieving it.

1,018 pupils enrolled at the start of the academic year, with over 179 boys accepting places in year 1. In addition, 208 pupils entered in the upper and lower sixth form reflecting the increased popularity of the College with its new facilities.

#### **Catholic Life of the College**

The Catholic Life of the College is now the first column in the 2018/19 key priorities. Mr O'Neill, Head of RE is not a form tutor for 2018/19 to enable him to spend more time on whole school chaplaincy and enhancing the Catholic Life of the School. Line management of RE is now under the Principal. Some aims for 2018/19 are listed in the key priorities document but it is hoped that this will be a minimum. Money has been secured from Trustees' Charity to support many of these aims, particularly in relation to art work and resources to support the college's identity and the liturgical year.

In 2017/18 the vast majority of 1<sup>st</sup> year students attended the retreat in Castlerigg. All new staff received their induction in to working in an Edmund Rice school and 2 members of staff were part of the Zambia immersion trip at Easter.

The Sierra Leone immersion was a success yet again and the Edmund Rice International group continues to develop with 2017/18 highlights including an advocacy week culminating in a sleep out to raise awareness for the shocking homelessness crisis both locally and nationally. The 2 lead ambassadors went on the trip to Geneva to learn more about the work of the UN on human rights and the boys also undertook advocacy training. Connections with SERV have been strengthened with the boys continuing to visit centre fortnightly to work with refugees, teach English and some attended the summer camps voluntarily.

The college has a Justice & Peace Group which undertakes a range of work including a weekly tuck shop selling fair trade goods. The Key Stage 3 and 4 Awards evening saw numerous students from across year groups receiving their Edmund Rice Awards and certificates for 30 hours of service.

In addition to the weekly Thursday morning Mass, students had the opportunity to celebrate the Eucharist at other key times in the year including the feast day of St Ambrose and the end of the school year. A reconciliation service was held for all houses during Lent instead of an assembly and students continue to have the opportunity to attend the sacrament of reconciliation at the conclusion of the weekly Thursday morning Mass. Activities Week allowed students the opportunity to visit a local mosque and synagogue.

Additional plans focusing on the Catholic Life of the College include forming a Chaplaincy group involving both staff and students. This will involve preparing liturgies to be held in local parishes (e.g. Youth Sunday) and providing opportunities for the school choir to have a regular slot at local Sunday Mass if feasible.

#### **Sporting achievements**

The Sports results again show the wide range of talent St Ambrose students possess. Aided by many PE staff and non-specialists the College offers a Sports programme the envy of any state school and indeed performances show we compete against the leading schools in the country.

In brief the School ran 79 teams over 17 sports. Participation of students in lower years in particular reached 80% whilst over half our Key Stage 4 and 5 students have actively represented College teams. In House championships at Key Stage 3 and 4 this is nearly 100%.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

The 2017/8 year provided the following performances at Regional, County and National Levels:

In Athletics our Junior and Intermediate teams won the Cheadle Hulme relays and both sides reached A finals in the English Schools Athletics Championships. Many of our students represented Trafford in the GM Games. In Basketball our Under 12 team reached the final of the Trafford Schools Championship. In Cricket the same age group reached the Semi Final of the County Cup.

The Cross Country teams were Trafford Champions at Under 15, 14, 13 and 12 age groups and individuals finishing in the top ten represented the Borough in the GM finals. We finished with the highest representation in this team. Our Indoor Rowing team had a similar clean sweep of Regional and Area finals winning at Under 16, 15, 14, 13 and 12.

Our Rugby Union teams continue to compete at the highest level with 4 sides in the top 10 nationally in performance league tables. The Under 18s reached the Plate semi-final of the National Cup. At Under 15 the side lost 3-10 to eventual FINALISTS Manchester Grammar School.

The Under 16, 14 and 12 sides all won their County Finals, a fantastic achievement in a county with so many rugby playing schools.

The Under 12s lost only one match throughout the season and in Sevens competitions won County, Audenshaw and Kings Macclesfield competitions. The Under 15 side won the Myles Marshall and County Sevens with Under 14s side runners up.

The success of Sevens would undoubtedly have been greater but for poor weather causing cancellation of 4 of our main competitions.

In the pool our swimmers reached National Finals for the first time and lost only two galas in a very competitive year. Our Under 12 and 13 sides represented Trafford in the GM Games. Our water polo teams continue to improve and this year 2 age groups reached National Finals, the Under 18s were runners up whilst our Under 15 side was crowned National champions.

Other sports gained many successes without managing to quite reach County or National levels. Our senior football teams now compete in National competitions and at Under 16 we enter the English Schools cup. In hockey two sides played fixtures to varying successes and at badminton, table tennis trampolining, tennis and Gaelic football, clubs run during school lunchtimes with outside coaches often assisting.

#### **Other enrichment success**

The last academic year was again testament to the creativity and hard work of boys and staff in Art, Music and Drama. There were a number of highlights and important milestones to note. Educational visits to London were popular with students. The second year experienced the Tate Modern and saw the Lion King, after battling our way through the January snowstorms. The Sixth Form also ventured to London for a few days. They visited the Tate, British Museum, listened to a recital at St. James's Piccadilly, and joined tours of the National Theatre backstage area and Shakespeare's Globe. Drama students undertook a performance masterclass at the Globe and Photography students captured the rainy streets of the Capital after seeing Les Misérables.

In the Michaelmas term the Drama Studio had a lighting rig installed and students are now able to design and control production lighting using professional grade software. Photography was offered to the Sixth Form and, for the first time since the new school opened, an exhibition of student examination artwork was displayed. Wonderful artwork has now also started to adorn the College walls celebrating Ambrosians past and present. Our annual Arts Day gave boys the exposure to exciting careers in the Arts. We were incredibly fortunate that old boy Adrian Armstrong, the Principle of the National Access Creative College, joined us on Arts Day, accompanied by BA students who jammed with our boys, and showcased cutting-edge virtual reality and animation technology. *Splendid Productions Theatre Company* also performed their take on Fran Kafka's *Metamorphosis*.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

There were again wonderful performances by College musicians – almost too many to mention. Pupils performed again at the annual Carol Service, Prize Giving Evenings that took place at the College for the first time this year, as well as frequent recitals throughout the year. There were also performances for the community including at the Trafford Centre. Junior Choir won the Senior Choir Award. *Sinfoneta* won the chamber award and also a number of solo prizes at the Bowden Festival.

College Musicians performed in national and local ensembles including the National Orchestra of Great Britain, and our various student rock bands performed in gigs throughout Britain. Many boys gained grades in ABRSM performance exams and a number of students performed to camera and can now be seen online as part of *Ambrose Unplugged*, as can the various college ensemble and choir performances.

Parents have visited us to see theatrical performances by all GCSE group in Drama (Years 3 -5) as well as by A level students. Boys have performed an eclectic range of themes and styles including performing extracts from Willy Russell's *Blood Brothers*, Arthur Miller's *The Crucible* and *Frankenstein*. Students from Manchester Metropolitan University also ran workshops with our sixth formers, supporting them in their devising process. We hosted a number of professional companies including the *Paper Birds* theatre company who ran an intensive session with the Sixth Form and the aforementioned *Splendid Productions*.

Social media, and especially the Creative Arts Facebook page, have continued to gain in popularity this year and provide an invaluable way to promote and celebrate creative success. Performance and other creative endeavours have been shared by boys, parents and friends of the College and have been viewed as far afield as the US, Australia and the Far East. The slightly comic, sped-up film of the whole school photographs gained well over two thousand views (a College record).

Further successes include numerous awards for debating and the 3 levels of the Duke of Edinburgh Award are popular with boys from across all year groups.

### Extracurricular activities

There are many extracurricular activities in which to take part e.g. biology society, chess club, music, debating society, film, languages, cookery and much more to suit all needs. There are over 35 lunchtime and after school clubs and societies for the pupils continue to strive with new clubs every year in which pupils are encouraged to take part.

### Staff

Much of a school's achievement depends upon and is a credit to its staff; St Ambrose has been very fortunate in that respect. There are many long-standing members of staff still working at the College and we have been able to attract good staff members to replace those who leave. Loyalty is a prime feature of staff commitment who donate and volunteer their time and skills regularly with extra-curricular clubs throughout the year. We thank also the support staff for their communication and organisational skills on behalf of the College.

We are blessed to have the additional support of our committees. The Parents' Association, the Old Boys Association and Sports Committee, all of whom have worked tirelessly for the College throughout the year to raise funds. Unfortunately, not all news and achievements can fit into this short report. Taking all things into account, the College has had an excellent year in relation to exam results, sports achievements, Catholic faith and social interaction.

We pray that St Ambrose College continues to flourish and grow for the years to come.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

#### Key performance indicators

The trustees consider that the following are key performance indicators for the College:

- percentage of income received from the ESFA spent on teaching staff;
- percentage of income received from the ESFA spent on total staff costs;
- pupil numbers (current on roll, numbers sitting the entrance examination and anticipated new academic year intake);
- pictorial analysis of income spent against main sectors (staffing, curricular provisions, support provisions, occupational estates costs);
- number of months grant income coverage held in cash at bank; and
- general financial stability (in that future income matches anticipated expenditure).

The trustees have been pleased that expectations for all key performance indicators listed have been successfully met during the year.

#### Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the College 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.

#### Financial review

During the year ended 31 August 2018, excluding the fixed asset fund, the resources expended of £5,611,000 were not matched by £5,259,000 total incoming resources. There was a deficit of £372,000 excluding actuarial gain at 31 August 2018, which was reconciled using reserves. The net book value of fixed assets was £24,777,000 and movements in tangible fixed assets are shown in note 12 to the financial statements. During the year, assets were used exclusively for providing education and the associated support services to the pupils of the College.

#### Reserves policy

The trustees review the reserve levels of the College annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The trustees have determined that the permitted level of free reserves for recurrent costs should be maintained in order to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies for example, such as repairs following a catastrophic failure in a building management system. The College held funds balances at 31 August 2018 of £24,864,000. These funds comprise restricted fixed asset funds of £24,777,000 and other funds of £393,000. There is also a Local Government Pension Scheme reserve deficit of £306,000. Employer contributions are reviewed in consultation with the Local Government Pension Scheme's administrators. A fund valuation is conducted annually which is used to decide future employer contribution rates.

#### Investment policy

Apart from the cash held for the operation of the College, St Ambrose College Edmund Rice Academy Trust has no realisable investments. With respect to its cash holdings, the board of trustees has adopted a low risk strategy. In addition to the main current account, the College maintains an instant access deposit account. Suitable sweeping and switching procedures are in place at the College's bankers to ensure that adequate funds are available in the current account whilst maintaining a balance in the interest-paying deposit account as high as possible.

#### Principal risks and uncertainties

The main College risk exposure is summarised below. For each of these risks the probability, impacts and seriousness are considered, together with appropriate action and avoidance.

*Strategic and reputation:* this covers unfavourable Ofsted reports, risk of uncontrollable events and insufficient demand for College service, such as competition from other schools with similar objectives and little scope for differentiation. This also includes the capacity of existing buildings, facilities and resources to deliver teaching and learning to pupils.

*Financial risk:* the risk of the College not operating within its budget and running a deficit. Risks linked to income not increasing at the same rate of inflation over the coming years (in staff costs, provisions and estates maintenance). Furthermore, in connection with the deficit in the Local Government Pension Scheme, the trustees are comfortable with the current (and predicted) level of employer contributions the College is (or will be) required to pay.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

### Risk management

The trustees have assessed the major risks to which the College is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the College, including its finances. The trustees have implemented a number of systems to assess risks that the College faces, especially in operational areas, for example, in relation to teaching, health and safety, educational and recreational visits and trips and in relation to the control of finance. They have introduced systems, including operational procedures for example recruitment of new staff, supervision of College grounds and facilities and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The College has an effective system of internal financial controls explained in more detail in the governance statement.

### Financial and risk management objectives and policies

The College uses various financial instruments including cash and various items such as trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the College's operations.

*Liquidity risk:* the College manages its cash resources including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing. Surplus cash is invested so as to maximise interest income.

*Interest rate risk:* the College earns interest on cash deposits and with interest rates currently low, the trustees will take appropriate action to ensure they maximise the income from these deposits.

*Credit risk:* this is managed through regular contact with funders. Liquidity and cash flow risks are managed through the appropriate and carefully managed use of financial instruments with our principal bankers.

### **Fundraising**

The majority of fundraising for the academy is carried out by the related organisations noted in the related parties and connected charities and organisations section above. These are the St Ambrose Parents Association, St Ambrose Charity and the St Ambrose Sports Committee.

Neither the academy nor its related organisations work with professional fundraisers. Funds originate from donations, profits from social events, the sale of second hand uniform or the participation in a '200' club draw. Participation is entirely voluntary.

The academy has not received any complaints from parents or the public relating to fundraising.

### **Plans for future periods**

Leaders and managers will provide a clear direction for transformational change and improvement such as: increasing pupil numbers, developing a range of external partnerships with Edmund Rice, local schools, teaching schools, the Diocese and Trafford Council; and, reviewing and developing a role in external support, preparing for future arrangements where partnership/trust working may develop.

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

During the year to 31 August 2018, St Ambrose College Edmund Rice Academy Trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

### Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and,
- 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.

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 6.12.2018 and signed on the board's behalf by:



.....  
**P C Goodwin**  
Chair of trustees



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

### Scope of responsibility

As trustees and governors, we acknowledge we have overall responsibility for ensuring that St Ambrose College Edmund Rice Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between St Ambrose College Edmund Rice Academy Trust and the Secretary of State for Education. He 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 trustees' responsibilities statement. The board of trustees has formally met four times during the year.

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

	Trustee meetings attended	Out of a possible
R M Haig	4	4
P K Hatchman	4	4
M T Lalley	3	4
H R Norwood	4	4
B Sharp	4	4
M A Kerr	3	4
C Dunn	2	2
P Goodwin (Chair)	4	4
A Lewis (Vice Chair)	4	4
P Ridgway	4	4
J Keulemans (Principal)	4	4
Brother P G Gordon	4	4

The finance committee is an executive committee of the main board of trustees. Its purpose is to consider and recommend the College's budget, contribute to the development plan, monitor and review expenditure, financial procedures and service level agreements as well as any issues relating to the building and environment of the College. Attendance at meetings in the year was as follows:

	Finance meetings attended	Out of a possible
R M Haig	3	3
P K Hatchman	3	3
A Lewis (Chair)	3	3
P Goodwin	3	3
P Ridgway	3	3
J Keulemans (Principal)	3	3



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

### **Review of value for money**

As accounting officer, the principal has responsibility for ensuring that St Ambrose College Edmund Rice 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 tax-payer resources received.

The accounting officer considers how St Ambrose College Edmund Rice Academy 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 St Ambrose College Edmund Rice Academy Trust has delivered improved value for money during the year by, for example:

- setting a staff structure that maximises efficiencies to be had in delivering programmes of study;
- working together with energy consultants to minimise energy consumption; and
- re-negotiating agreements for insurance, photocopiers and waste management.

### **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 College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Ambrose College Edmund Rice Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the College 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 College's significant risks and that this process has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### **The risk and control framework**

The College's system of internal financial control is based on a framework of regular management accounts 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 committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed Haines Watts as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the College's financial systems. On a quarterly basis, the internal auditor reports to the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. In particular, the checks carried out in the current period included testing of payroll systems, testing of purchase systems and testing of financial controls systems such as bank reconciliations. The internal auditor has delivered their schedule of work as planned and there were no material control issues arising.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

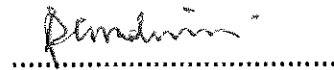
### Review of effectiveness

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

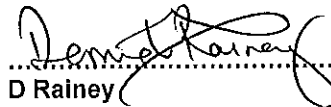
- the work of the internal auditor;
- the work of the external statutory auditors; and
- the work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of his review of the system of internal control by the responsible officer and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 6/12/18 and signed on its behalf by:



P C Goodwin  
Chair of trustees



D Rainey  
Accounting officer



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

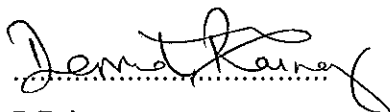
**FOR THE YEAR ENDED 31 AUGUST 2018**

---

As accounting officer of St Ambrose College Edmund Rice Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



**D Rainey**  
Accounting officer

Date 6/12/18.....



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees (who are also the directors of St Ambrose College Edmund Rice Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

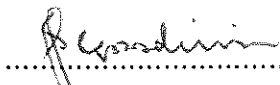
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 6.12.2018 and signed on its behalf by:



P C Goodwin  
Chair of trustees



# **ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

### **Opinion**

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

In our opinion the accounts:

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

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' 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 accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# **ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

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

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

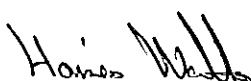
## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

---

### Use of our report

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



John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date 



# **ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2018***

---

In accordance with the terms of our engagement letter dated 6 June 2014 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Ambrose College Edmund Rice Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of St Ambrose College Edmund Rice Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Ambrose College Edmund Rice Academy Trust's funding agreement with the Secretary of State for Education dated 11 July 2011 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

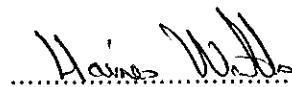
---

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy

### 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 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
.....

**Haines Watts**  
**Reporting Accountant**

Date:  .....



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2018 £(000)	Total 2017 £(000)
<b>Income and endowments from:</b>						
Donations and capital grants	3	5	-	33	38	79
Charitable activities:						
- Funding for educational operations	4	-	4,393	-	4,393	4,171
Other trading activities	5	861	-	-	861	991
Investments	6	-	-	-	-	2
<b>Total</b>		<u>866</u>	<u>4,393</u>	<u>33</u>	<u>5,292</u>	<u>5,243</u>
<b>Expenditure on:</b>						
Raising funds	7	10	-	-	10	22
Charitable activities:						
- Educational operations	8	-	5,601	583	6,184	6,257
<b>Total</b>	<b>7</b>	<u>10</u>	<u>5,601</u>	<u>583</u>	<u>6,194</u>	<u>6,279</u>
<b>Net income/(expenditure)</b>		856	(1,208)	(550)	(902)	(1,036)
Transfers between funds	16	(1,076)	1,098	(22)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	265	-	265	291
<b>Net movement in funds</b>		(220)	155	(572)	(637)	(745)
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>577</u>	<u>(425)</u>	<u>25,349</u>	<u>25,501</u>	<u>26,246</u>
Total funds carried forward		<u>357</u>	<u>(270)</u>	<u>24,777</u>	<u>24,864</u>	<u>25,501</u>



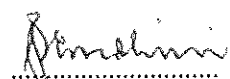
# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2018

		2018	2017
	Notes	£(000)	£(000)
<b>Fixed assets</b>			
Tangible assets	12	24,777	25,349
<b>Current assets</b>			
Debtors	13	184	187
Cash at bank and in hand		560	758
		744	945
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(351)	(351)
<b>Net current assets</b>		393	594
<b>Net assets excluding pension liability</b>		25,170	25,943
Defined benefit pension scheme liability	18	(306)	(442)
<b>Net assets</b>		24,864	25,501
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>	16		
- Fixed asset funds		24,777	25,349
- Restricted income funds		36	17
- Pension reserve		(306)	(442)
<b>Total restricted funds</b>		24,507	24,924
<b>Unrestricted income funds</b>	16	357	577
<b>Total funds</b>		24,864	25,501

The accounts were approved by the trustees and authorised for issue on 6.12.2018 and are signed on their behalf by:



P C Goodwin  
Chair of trustees

Company Number 07827963



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £(000)	2017 £(000)
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	19	(220)	(237)
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		-	2
Capital grants from DfE Group		33	21
Purchase of tangible fixed assets		(11)	(66)
Proceeds from sale of tangible fixed assets		-	5
<b>Net cash provided by/(used in) investing activities</b>		22	(38)
<b>Net decrease in cash and cash equivalents in the reporting period</b>		(198)	(275)
Cash and cash equivalents at beginning of the year		758	1,033
<b>Cash and cash equivalents at end of the year</b>		560	758



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

---

### 1 Accounting policies

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

#### 1.1 Basis of preparation

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

St Ambrose College Edmund Rice Academy Trust 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 accounts 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 accounts.

#### 1.3 Income

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

##### Grants

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

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

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

##### Sponsorship income

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



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

#### 1 Accounting policies

##### 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.

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

---

### 1 Accounting policies

#### 1.5 Tangible fixed assets and depreciation

Assets costing £2,500 or more 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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Buildings	2% straight line and 10% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

Rentals payable under operating leases are charged 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.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

---

#### 1 Accounting policies

##### Financial liabilities

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

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

#### 1.9 Taxation

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

#### 1.10 Pensions benefits

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

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

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

#### 1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, the Department for Education or other funders where the asset acquired or created is held for a specific purpose.

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



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 1 Accounting policies

#### 1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 24.

### 2 Critical accounting estimates and areas of judgement

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 3 Donations and capital grants

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2018 £(000)	Total 2017 £(000)
Capital grants	-	33	33	21
Other donations	5	-	5	58
	<u>5</u>	<u>33</u>	<u>38</u>	<u>79</u>

The income from donations and grants was £38,000 (2017: £79,000) of which £5,000 was unrestricted (2017: £58,000) and £33,000 was restricted fixed assets (2017: £21,000).

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2018 £(000)	Total 2017 £(000)
DfE / ESFA grants				
General annual grant (GAG)	-	4,363	4,363	4,138
Other DfE group grants	-	30	30	33
	<u>-</u>	<u>4,393</u>	<u>4,393</u>	<u>4,171</u>
Total funding	-	4,393	4,393	4,171

The income from funding for educational operations was £4,393,000 (2017: £4,171,000) of which £4,393,000 was restricted (2017: £4,171,000).



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 5 Other trading activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2018 £(000)	Total 2017 £(000)
Catering income	391	-	391	356
Other income	470	-	470	635
	<u>861</u>	<u>-</u>	<u>861</u>	<u>991</u>

The income from other trading activities was £861,000 (2017: £991,000) of which £861,000 was unrestricted (2017: £991,000).

### 6 Investment income

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2018 £(000)	Total 2017 £(000)
Short term deposits	-	-	-	2

The income from funding for investment income was £Nil (2017: £2,000) of which £Nil was unrestricted (2017: £2,000).

### 7 Expenditure

	Staff costs £(000)	Non Pay Expenditure Premises £(000)	Other £(000)	Total 2018 £(000)	Total 2017 £(000)
Expenditure on raising funds					
- Direct costs	-	-	10	10	22
Academy's educational operations					
- Direct costs	3,266	525	658	4,449	4,532
- Allocated support costs	549	687	499	1,735	1,725
	<u>3,815</u>	<u>1,212</u>	<u>1,167</u>	<u>6,194</u>	<u>6,279</u>

The expenditure on raising funds was £10,000 (2017: £22,000) of which £10,000 was unrestricted (2017: £22,000).

### Net income/(expenditure) for the year includes:

	2018 £(000)	2017 £(000)
Fees payable to auditor for:		
- Audit	10	11
- Other services	2	3
Operating lease rentals	53	44
Depreciation of tangible fixed assets	583	600
Gain on disposal of fixed assets	-	(3)
Net interest on defined benefit pension liability	12	14



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 8 Charitable activities

	2018	2017
	£(000)	£(000)
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	4,449	4,532
<b>Support costs</b>		
Educational operations	1,735	1,725
	<u>6,184</u>	<u>6,257</u>
 <b>Analysis of costs</b>	 <b>2018</b>	 <b>2017</b>
	<b>£(000)</b>	<b>£(000)</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	3,266	3,140
Depreciation	525	540
Educational supplies and services	534	715
Examination fees	105	108
Other direct costs	19	29
	<u>4,449</u>	<u>4,532</u>
 <b>Support costs</b>		
Support staff costs	549	542
Depreciation	58	57
Technology costs	112	160
Recruitment and support	13	15
Maintenance of premises and equipment	165	147
Cleaning	186	155
Energy costs	147	120
Rent, rates and other occupancy costs	103	146
Insurance	28	38
Security and transport	-	(4)
Catering	215	194
Interest on defined benefit pension scheme	12	14
Other support costs	90	93
Governance costs	57	48
	<u>1,735</u>	<u>1,725</u>



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2018 £(000)	2017 £(000)
Wages and salaries	3,369	2,782
Social security costs	292	279
Pension costs	117	550
Staff costs	3,778	3,611
Staff restructuring costs	-	6
Staff development and other staff costs	37	65
Total staff expenditure	3,815	3,682
Staff restructuring costs comprise:		
Redundancy payments	-	6

#### Staff numbers

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

	2018 Number	2017 Number
Teachers	58	58
Administration and support	35	34
Management	5	5
	98	97

#### Higher paid staff

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

	2018 Number	2017 Number
£60,001 - £70,000	1	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £363,216 (2017: £382,949).



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

---

### 10 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, travel and subsistence payments totalling £731 (2017: £4,200) were reimbursed to 3 trustees (2017: 6 trustees).

The value of trustees' remuneration was as follows:

J Keulemans (principal and trustee):

Remuneration: £90,001 - £95,000 (2017: £85,001 - £90,000)

Employer's pension contributions: £10,001 - £15,000 (2017: £10,000 - £15,000)

S Parkinson (staff trustee):

Remuneration: £Nil - £5,000 (2017: £65,001 - £70,000)

Employer's pension contributions: £Nil (2017: £10,001 - £15,000)

P Ridgway (staff trustee):

Remuneration: £60,001 - £65,000 (2017: £55,001 - £60,000)

Employer's pension contributions: £5,001 - £10,000 (2017: £5,001 - £10,000)

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 £2,000,000 on any one claim. The cost of the policy cannot be split as it is part of a combined insurance policy.

The cost of this insurance is included in the total insurance cost.



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 12 Tangible fixed assets

	Buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£(000)	£(000)	£(000)	£(000)	£(000)
<b>Cost</b>					
At 1 September 2017	27,595	1,398	1,104	59	30,156
Additions	8	-	3	-	11
At 31 August 2018	27,603	1,398	1,107	59	30,167
<b>Depreciation</b>					
At 1 September 2017	2,543	1,393	843	28	4,807
Charge for the year	508	2	65	8	583
At 31 August 2018	3,051	1,395	908	36	5,390
<b>Net book value</b>					
At 31 August 2018	24,552	3	199	23	24,777
At 31 August 2017	25,052	5	261	31	25,349

Buildings to the value of £27,520,000 are included in fixed assets at depreciated replacement cost following a professional valuation on 30 October 2012 by FHP. The total land value included is £2,492,500 and is not depreciated.

13 Debtors	2018 £(000)	2017 £(000)
VAT recoverable	39	50
Other debtors	1	13
Prepayments and accrued income	144	124
	<u>184</u>	<u>187</u>
 14 Creditors: amounts falling due within one year	 2018 £(000)	 2017 £(000)
Trade creditors	90	138
Other creditors	3	2
Accruals and deferred income	258	211
	<u>351</u>	<u>351</u>



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

15	Deferred income	2018 £(000)	2017 £(000)
	Deferred income is included within:		
	Creditors due within one year	181	179
		<u>181</u>	<u>179</u>
	Deferred income at 1 September 2017	179	226
	Released from previous years	(179)	(226)
	Resources deferred in the year	181	179
		<u>181</u>	<u>179</u>
	<b>Deferred income at 31 August 2018</b>	<b>181</b>	<b>179</b>

At the balance sheet date, the academy trust was holding funds received in advance for the following purposes:

- Trips income taken in advance - £165,000
- Dinner card holdings received in advance - £10,000
- Sports coaching and drama performance fees received in advance - £6,000

16	Funds	Balance at 1 September 2017 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2018 £(000)
	<b>Restricted general funds</b>					
	General Annual Grant (GAG)	17	4,363	(5,442)	1,098	36
	Other DfE / ESFA grants	-	30	(30)	-	-
	Pension reserve	(442)	-	(129)	265	(306)
		<u>(425)</u>	<u>4,393</u>	<u>(5,601)</u>	<u>1,363</u>	<u>(270)</u>
	<b>Restricted fixed asset funds</b>					
	Transfer on conversion	25,282	-	(568)	-	24,714
	DfE group capital grants	31	33	(6)	(22)	36
	Private sector capital sponsorship	36	-	(9)	-	27
		<u>25,349</u>	<u>33</u>	<u>(583)</u>	<u>(22)</u>	<u>24,777</u>
	<b>Total restricted funds</b>	<b>24,924</b>	<b>4,426</b>	<b>(6,184)</b>	<b>1,341</b>	<b>24,507</b>
	<b>Unrestricted funds</b>					
	General funds	577	866	(10)	(1,076)	357
		<u>577</u>	<u>866</u>	<u>(10)</u>	<u>(1,076)</u>	<u>357</u>
	<b>Total funds</b>	<b>25,501</b>	<b>5,292</b>	<b>(6,194)</b>	<b>265</b>	<b>24,864</b>



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 16 Funds

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

Restricted general funds are those that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are those which the board of trustees may use in pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from unrestricted funds includes £1,076,000 to restricted general funds to cover a shortfall of incoming resources.

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

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

	Balance at 1 September 2016 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2017 £(000)
<b>Restricted general funds</b>					
General Annual Grant (GAG)	31	4,138	(5,504)	1,352	17
Other DfE / ESFA grants	-	33	(33)	-	-
Pension reserve	(610)	-	(123)	291	(442)
	<u>(579)</u>	<u>4,171</u>	<u>(5,660)</u>	<u>1,643</u>	<u>(425)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	25,871	-	(585)	(4)	25,282
DfE group capital grants	14	21	(6)	2	31
Private sector capital sponsorship	-	-	(6)	42	36
	<u>25,885</u>	<u>21</u>	<u>(597)</u>	<u>40</u>	<u>25,349</u>
<b>Total restricted funds</b>	<u>25,306</u>	<u>4,192</u>	<u>(6,257)</u>	<u>1,683</u>	<u>24,924</u>
<b>Unrestricted funds</b>					
General funds	<u>940</u>	<u>1,051</u>	<u>(22)</u>	<u>(1,392)</u>	<u>577</u>
<b>Total funds</b>	<u>26,246</u>	<u>5,243</u>	<u>(6,279)</u>	<u>291</u>	<u>25,501</u>



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 16 Funds

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

	Balance at 1 September 2016 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2018 £(000)
<b>Restricted general funds</b>					
General Annual Grant (GAG)	31	8,501	(10,946)	2,450	36
Other DfE / ESFA grants	-	63	(63)	-	-
Pension reserve	(610)	-	(252)	556	(306)
	<u>(579)</u>	<u>8,564</u>	<u>(11,261)</u>	<u>3,006</u>	<u>(270)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	25,871	-	(1,153)	(4)	24,714
DfE group capital grants	14	54	(12)	(20)	36
Private sector capital sponsorship	-	-	(15)	42	27
	<u>25,885</u>	<u>54</u>	<u>(1,180)</u>	<u>18</u>	<u>24,777</u>
<b>Total restricted funds</b>	<u>25,306</u>	<u>8,618</u>	<u>(12,441)</u>	<u>3,024</u>	<u>24,507</u>
<b>Unrestricted funds</b>					
General funds	<u>940</u>	<u>1,917</u>	<u>(32)</u>	<u>(2,468)</u>	<u>357</u>
<b>Total funds</b>	<u>26,246</u>	<u>10,535</u>	<u>(12,473)</u>	<u>556</u>	<u>24,864</u>

### 17 Analysis of net assets between funds

	Unrestricted Funds £(000)	General £(000)	Restricted funds: Fixed asset £(000)	Total Funds £(000)
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	-	-	24,777	24,777
Current assets	708	36	-	744
Creditors falling due within one year	(351)	-	-	(351)
Defined benefit pension liability	-	(306)	-	(306)
<b>Total net assets</b>	<u>357</u>	<u>(270)</u>	<u>24,777</u>	<u>24,864</u>



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 17 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total Funds £(000)
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	25,349	25,349
Current assets	577	368	-	945
Creditors falling due within one year	-	(351)	-	(351)
Defined benefit pension liability	-	(442)	-	(442)
Total net assets	577	(425)	25,349	25,501

### 18 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tameside Metropolitan Borough Council. Both are defined-benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### Teachers' Pension Scheme

##### Introduction

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

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

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

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



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 18 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £346,000 (2016: £324,000).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit 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 17 per cent for employers and 5.5-12 per cent for employees. The estimated value of employer contributions for the forthcoming year is £86,000.

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

Total contributions made	2018 £(000)	2017 £(000)
Employer's contributions	86	95
Employees' contributions	30	34
Total contributions	116	129
Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	3.1	3.2
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 18 Pension and similar obligations

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

	2018 Years	2017 Years
Retiring today		
- Males	21.5	21.5
- Females	24.1	24.1
Retiring in 20 years		
- Males	23.7	23.7
- Females	26.2	26.2

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as set out below:

#### Sensitivity analysis

Changes in assumptions at 31 August 2018	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	279
0.5% increase in the Salary Increase Rate	3%	52
0.5% increase in the Pension Increase Rate	11%	223

#### The academy trust's share of the assets in the scheme

	2018 Fair value £(000)	2017 Fair value £(000)
Equities	1,123	1,064
Bonds	264	233
Property	116	87
Other assets	148	74
Total market value of assets	1,651	1,458

The actual return on scheme assets was £83,000 (2017: £141,000).

#### Amount recognised in the Statement of Financial Activities

	2018 £(000)	2017 £(000)
Current service cost	203	204
Interest income	(38)	(26)
Interest cost	50	40
Total operating charge	215	218



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 18 Pension and similar obligations

Changes in the present value of defined benefit obligations	2018 £(000)
At 1 September 2017	1,900
Current service cost	203
Interest cost	50
Employee contributions	30
Actuarial gain	(220)
Benefits paid	(6)
At 31 August 2018	1,957

### Changes in the fair value of the academy trust's share of scheme assets

	2018 £(000)
At 1 September 2017	1,458
Interest income	38
Actuarial gain	45
Employer contributions	86
Employee contributions	30
Benefits paid	(6)
At 31 August 2018	1,651

### 19 Reconciliation of net expenditure to net cash flow from operating activities

	2018 £(000)	2017 £(000)
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(902)	(1,036)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(33)	(21)
Investment income receivable	-	(2)
Defined benefit pension costs less contributions payable	117	109
Defined benefit pension net finance cost	12	14
Depreciation of tangible fixed assets	583	600
(Loss)/profit on disposal of fixed assets	-	(3)
Decrease in debtors	3	23
Increase in creditors	-	79
Net cash used in operating activities	(220)	(237)



# ST AMBROSE COLLEGE EDMUND RICE ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 20 Commitments under operating leases

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

	2018 £(000)	2017 £(000)
Amounts due within one year	52	26
Amounts due in two and five years	138	65
	<u>190</u>	<u>91</u>

### 21 Guarantees, letters of comfort and indemnities

As noted in note 22 Related party transactions the academy entered into a 125 lease with the Congregation of Christian Brothers. Under the terms of the lease the academy pays a rental of £27,600 per annum for the 10 year period from 1 May 2012. From 1 May 2022 the rental paid reverts to a peppercorn.

### 22 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 with the requirements of the AFH and in accordance with the academy trust's financial regulations and normal procurement procedures.

During the year, the academy paid £27,600 in rent to the Congregation of Christian Brothers. One of the school governors is a member of the Congregation. The school also paid £767 (2017: £NIL) to the Congregation of Christian Brothers in the year (£167 for travel expenses and £600 towards a charitable donation).

At the year end £9,200 (2017: £9,200) was due to the Congregation of Christian Brothers.

### 23 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.

### 24 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the trust received £6,000 and disbursed £6,000 from the fund.