

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2016

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

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The following pages do not form part of the statutory financial statements:

**THE ROMERO CATHOLIC ACADEMY
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**THE ROMERO CATHOLIC MULTI ACADEMY COMPANY OVERVIEW
FOR THE PERIOD ENDED 31 AUGUST 2016**

The Multi Academy Company (referred to hereafter as 'MAC' formed on the 1st August 2015 and recognised the need to develop a clear Vision, Mission, Values and Aims for our team of eight schools, Board members, Local Academy Committee representatives, children, families and wider stakeholders. We have outlined these below along with brief details of our schools.

Vision

"A Beacon of Excellence for Catholic Education"

Mission

"We are a Christ-centred Community dedicated to faith formation, academic excellence and individual growth for all of our young people, all rooted in the Gospel message of Jesus Christ."

Values

These are fundamental to our long-term success and represent the set of standards under which all of us in the Romero MAC will work, and against which performance will be assessed and rewarded.

Respect

We respect and value those we work with and the contribution that they make.

Integrity

We act fairly, ethically and openly in all we do.

Service

We put our children at the centre of all that we do.

Excellence

We use our energy, skills and resources to deliver the best, sustainable results.

Aims

As Catholic Schools in the Romero MAC we are committed to:

Spiritual Growth

An ethos in which the Gospel message is proclaimed, community in Christ experienced, service to each other and the wider world community is recognised, and thanksgiving and worship of our God is cultivated.

Formation of the Whole Person

Providing well rounded high quality education that empowers and enables pupils to recognise their full potential and respond to what God calls them to be.

Academic Excellence

Building on the collaborative success of the Romero Partnership our schools will be inspirational, academically rigorous and innovative, achieving standards of excellence in all settings, supported by exceptionally caring staff who reflect the light of Christ.

Family Partnership

Partnering with, upholding and supporting parents and guardians in their role as primary educators of their children.

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**THE ROMERO CATHOLIC MULTI ACADEMY COMPANY OVERVIEW
FOR THE PERIOD ENDED 31 AUGUST 2016**

Vibrant Communities

Ensure diverse, dynamic, welcoming, compassionate communities available to all.

Global awareness

Nurture the personal integrity and faith development of pupils that also challenges them to know and understand communities around the world.

Stewardship

Ensuring a vibrant sustainable future for our schools through unified support and prudent management of resources

Our Vision, Mission, Values and Aims are communicated via many formats across our Academies and with our Families and stakeholders and are designed to develop a learning culture that provides for outstanding learning for our children from ages 2 to 19.

Our eight Academies have a combined pupil capacity of 3,396 and had a roll of 3,110 in the school census on January 2016. These schools are Cardinal Wiseman (11 – 18 years), Corpus Christi (3-11 years), St Gregory's (4 – 11 years), St John Fisher (4 – 11 years), St Patrick's (2 – 11 years), SS Peter and Paul (4 -11 years), Sacred Heart (4 – 11 years) and Good Shepherd (3 -11 years).

In addition we have the only Primary Teaching School in Coventry (Blue Sky Alliance) linked to our outstanding primary school Sacred Heart.

**THE ROMERO CATHOLIC ACADEMY
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE PERIOD ENDED 31 AUGUST 2016**

Directors	Dean Kavanagh, Chair (appointed 24 July 2015) Brendan Fawcett, Vice Chair (appointed 24 July 2015) Eleanor Barry (appointed 24 July 2015) Sarah McCann (appointed 24 July 2015) Jane Marron (appointed 24 July 2015) Fionnuala Hegarty (appointed 20 July 2016) Yvonne Salter-Wright (appointed 30 June 2016) Helen Quinn (appointed 24 July 2015) Julie Fulea (appointed 21 October 2015) Andrew Bowen (appointed 21 October 2015) Colin Beesley (appointed 21 October 2015) Patrick Taggart (appointed 24 July 2015, resigned 13 June 2016) John Hussey (appointed 24 July 2015, resigned 18 November 2015) Father Robert Wright (appointed 24 July 2015, resigned 15 June 2016) Margaret McNally (appointed 21 October 2015, resigned 23 May 2016) Grainne Griffiths (appointed 24 July 2015, resigned 31 August 2016)
Company registered number	09702162
Company name	The Romero Catholic Academy
Principal and registered office	c/o Corpus Christi Catholic Primary School Langbank Avenue Coventry West Midlands CV3 2QP
Accounting Officer	Helen Quinn
Senior management team	Debbie Newman, Principal Corpus Christi School Yvonne Clarke, Principal Good Shepherd School Helen Quinn, Principal Sacred Heart School and Blue Sky Teaching School Paul Madia, Head of School Sacred Heart School Kevin Shakespeare, Principal SS Peter and Paul School Ina Murphy, Principal St Gregory's School (Retired 31 August 2016) Dee Williams, Principal St John Fisher School Grainne Griffiths, Principal St Patricks School (Resigned 31 August 2016) Helen Knight, Principal Cardinal Wiseman School (Retired 31 August 2016) Patrick Taggart, Academy Business Director (Appointed 15 August 2016) Doug Collis, Head of Finance (Appointed 09 November 2015) Dal Youssef, Head of HR (Appointed 05 January 2016)
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB

**THE ROMERO CATHOLIC ACADEMY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS DIRECTORS AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2016**

Advisers (continued)

Bankers

Lloyds Bank plc
Solihull Business Centre
355 Stratford Road
Shirley
Solihull
West Midlands
B90 3BW

Solicitors

Gateleys
One Eleven
Edmund Street
Birmingham
B3 2HJ

Internal Risk Review

Dains
15 Colmore Row
Birmingham
B3 2BH

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS DIRECTORS AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2016**

Advisers (continued)

Directory of Academies Cardinal Wiseman Catholic Secondary School
Potters Green Road
Coventry
CV2 2AJ

Corpus Christi Catholic Primary School
Langbank Avenue
Coventry
CV3 2QP

Good Shepherd Catholic Primary School
Spring Road
Coventry
CV6 7FN

Sacred Heart Catholic Primary School
Brays Lane
Coventry
CV2 4DW

SS. Peter and Paul Catholic Primary School
Arkle Drive
Coventry
CV2 2EF

St. Gregory's Catholic Primary School
Harry Rose Road
Coventry
CV2 5AT

St. John Fisher Catholic Primary School
Kineton Road
Coventry
CV2 3NR

St. Patrick's Catholic Primary School
Deedmore Road
Coventry
CV2 1EQ

**THE ROMERO CATHOLIC ACADEMY
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**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2016**

The Directors present their annual report together with the Financial Statements and auditors' report of the Charitable Company for the period ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Company operates 7 primary and 1 secondary Academies in Coventry. It's Academies have a combined pupil capacity of 3,396 and had a roll of 3,110 in the school census on 6 January 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

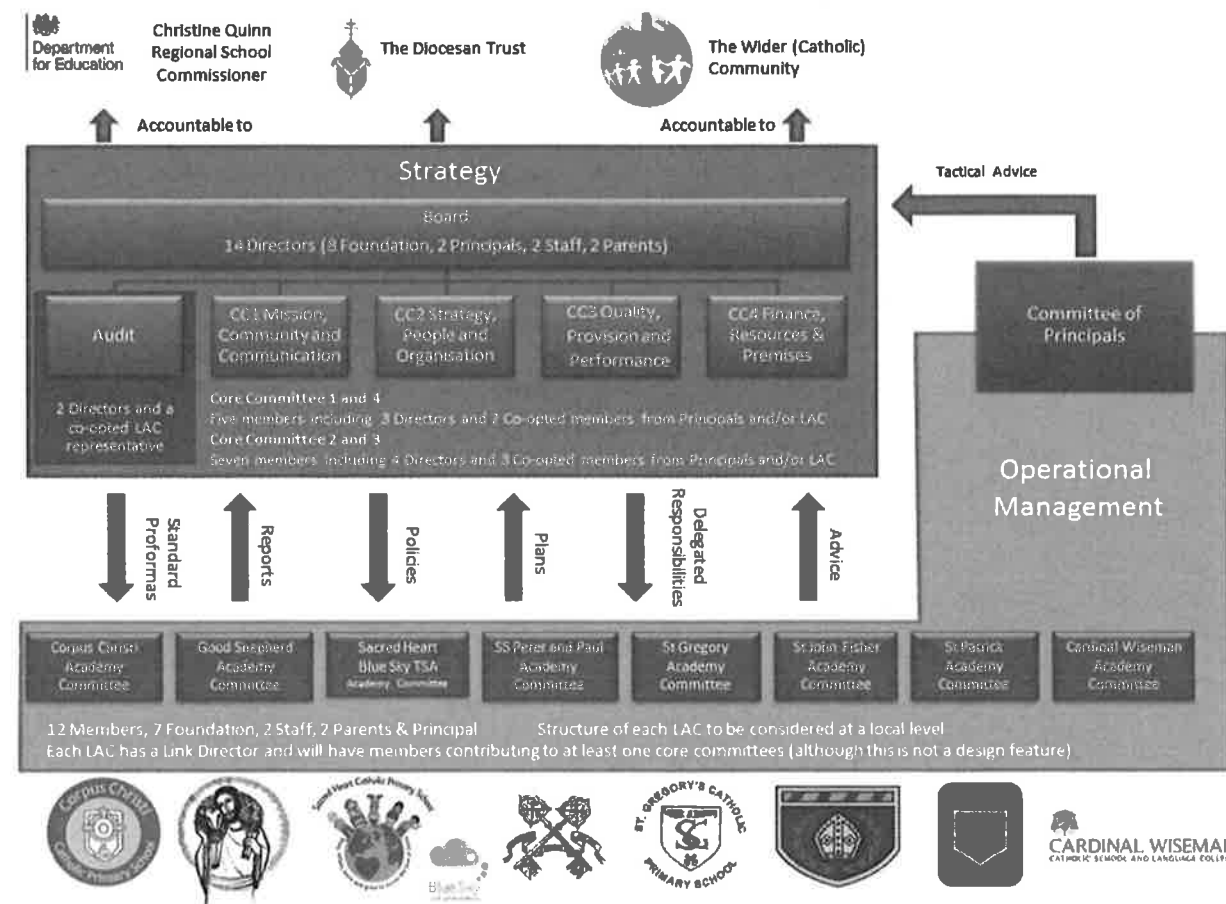
Constitution

The Academy was incorporated on 24 July 2015 and opened as an Academy on 1 August 2015 is a Company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Directors of The Romero Catholic Academy are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Romero Catholic Academy.

Details of the Directors who served throughout the period, except as noted, are included in the Reference and Administrative Details on pages 3 to 5.

Our structure is set out below and outlines the reporting and accountability lines across the Multi Academy Company.



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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Directors' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000.

DIRECTORS

Method of Recruitment and Appointment or Election of Directors

The Multi Academy Company Board are appointed according to the provisions of the articles of association as follows:

- 8 Directors who are appointed by the Diocesan Bishop
- 2 Parent Directors who are elected by Parents of registered pupils at the Academy
- 2 Staff Directors appointed by the Board, via election, if required.
- 2 Principals who are appointed by election from the Committee of Principals.

Policies and Procedures Adopted for the Induction and Training of Directors

The training and induction provided for new Directors will depend upon their existing experience but would always include a tour of an Academy and a chance to meet staff and pupils. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a Director. Advantage is taken of specific courses offered by the Diocese, Local Authority, NGA, IoD and other bodies.

There are a number of Director strategy and development sessions organised each year, which include training sessions to keep the Directors updated on relevant developments impacting their roles and responsibilities.

Organisational Structure

The Board of Directors have been delegated responsibility for the governance, leadership and management of the Multi Academy Company (MAC) on behalf of the Romero Catholic Academy. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and a summary of activity and achievements is submitted to the Board before each meeting. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

Each Academy is governed by a Local Academy Committee which contains members appointed by the Diocesan Bishop and elected staff and parent representatives.

The Directors set the strategic direction, determine the policy and procedures of the Academy, hold the Academy to account, provide support and challenge to the Principals, approve the annual School Improvement Plan, agree an annual budget, approve the statutory accounts, and make major decisions about the direction of the Academy, capital expenditure and staff structures and appointments.

The Directors have devolved responsibility for day-to-day management of the Academies to the Local Academy Committees and Principals. The SMT implement the policies laid down by the Directors and report back to them at agreed timescales.

The Principal of Sacred Heart Catholic Primary School, Helen Quinn, is the Accounting Officer.

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Directors consider Principals, the Academy Business Director, Head of Finance and Head of HR as comprising the key management personnel of the Academy, in charge of directing and controlling, running and operating the MAC on a day to day basis. The pay of key management personnel is reviewed annually.

Total Directors remuneration in the period amounted to £202,497. This relates to staff and principal Directors only. Foundation and parent Directors are not remunerated.

Details of Directors expenses and related party transactions are disclosed in the notes to the accounts.

Related Parties and other Connected Charities and Organisations

The Board of Directors complete a pecuniary interest declaration on an annual basis which sets out any relationship with the MAC that is not directly related to duties as a Board member. Each Board member is required to declare a potential 'conflict of interest' if it arises between such declarations. Once such a declaration has been made the Board member concerned takes no further part in any decision relating to the matter declared.

A register of interests is included on the Romero website.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aims of the Company are specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice by establishing, maintaining, carrying on, managing and developing Catholic schools, offering a broad range of curriculum and conducted as Catholic schools in accordance with the code of Canon Law of the Latin Church and the doctrinal, social and moral teachings of the Catholic Church. We follow the directive and policies issued by the diocesan bishop to ensure that the formation, governance and education of our Academy schools are based on the principles of Christian doctrine and at all times serving as witness to the Catholic faith in our Lord Jesus Christ.

Objectives, Strategies and Activities

The Academy's main strategy is rooted in the mission of the Catholic Church. Our main objectives for the year ended 31 August 2016 are:

Spiritual Growth

An ethos in which the Gospel message is proclaimed, community in Christ experienced, service to each other and the wider world community is recognised, and thanksgiving and worship of our God is cultivated.

Formation of the Whole Person

Providing well rounded, high quality education that empowers and enables pupils to recognise their full potential and respond to what God calls them to be.

Academic Excellence

Building on the collaborative success of the Romero Partnership our Academies will be inspirational, academically rigorous and innovative, achieving standards of excellence in all settings, supported by exceptionally caring staff who reflect the light of Christ.

Family Partnership

Partnering with, upholding and supporting parents and guardians in their role as primary educators of their children.

Vibrant Communities

Ensure diverse, dynamic, welcoming, compassionate communities available to all.

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Global awareness

Nurture the personal integrity and faith development of pupils that also challenges them to know and understand communities around the world.

Stewardship

Ensuring a vibrant sustainable future for our Academies through unified support and prudent management of resources.

Public Benefit

The Directors confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and developing schools, offering a broad curriculum.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its first year of operation and the total number of students in the year ended 31 August 2016 was 3,110.

Key Performance Indicators

Cardinal Wiseman Catholic Secondary Academy

Attainment and Progress

Examination results for 2016 represented a significant improvement on 2015 results. The Academy achieved a 62% pass rate at A* to B in A2 exams in 2016. The Academy recorded its best ever GCSE results in June 2016 with 62% of students achieving A*-C, up 15% from 2015.

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Key Data KS5	2015 Actual	2016 Actual
% gaining A Levels at A*-A in academic year (achievement)	13.6	35
% gaining A levels A*/B in academic yr	33.8	61.7
% gaining A levels A*-E in academic yr	98.2 4 on U	99.2 1 U grade
Average A level point score & excluding fails	211 (C) 215 (C)	234 (C+) 236 (C+)
A Level retention %	94.6	96.7
% AS levels at A*-A in in academic yr	22.3 (17.4 inc resits)	17.5 (21.3 inc resits)
%gaining AS levels A*/B in academic yr	41.4 (43.4 inc resits)	33.9 (41.3 inc resits)
%gaining AS levels A*-E in academic yr	92.4 12 on U 94.7 (incl resits)	89.3 19 on U 91.7 (incl resits)
Average AS level point score & Excluding fails	99.8 (D) 108 (C)	98.5 (D) 107.4 (C) excl U grades
AS Level retention %	82.2	83.3
% gaining Voc sub/dip D*-D in acad yr (achievement)	53.1	57.8 47.1 (WD incl)
% gaining Voc Sub/Dip D*-M in acad yr	83.1	90.4 73.5 (WD incl)
Average Voc Sub/Dip point score	222 (M+)	225 (D) 181 (P) (WD incl)
Certificate D*-D	39.5	59.2 47.9 (WD incl)
Certificate D* -M	64	84.5 68.6 (WD incl)

Cardinal Wiseman A level results in 2016 were significantly higher than the Coventry and national averages at A* grade and A*-B grades (CW = 61.7%, Coventry = 43.4% and national 52.5%). We also had a 100% pass rate for those students completing vocational courses, with 90% achieving Distinction*-Merit grades.

All measures for A levels increased from 2015 to 2016, with some more than doubling. All measures for vocational courses showed an increase on the previous year.

Students still find the step up from GCSE/level 2 courses to AS very demanding. AS results provide a platform for raising of expectations at A2 and our students rise to this challenge. Historically our value added for A level has been ¼ of a grade below expectations, this gap was narrowed in 2015 and for the first time in 2016 we expect the published valued added to be about ¼ of a grade above expectations on average. Of note, subjects with an overall positive value added score are Maths, Physics, Art, Economics, Polish, Sociology and History (for the first time).

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Achievement is now above national for Pupil Premium students, we continue to address progress measures for our disadvantaged students across the curriculum – paying particular attention to EBACC subjects.

Primary Academy School Performance

Across the Academies, the performance against National standards was favourable at the end of Reception and Key Stage One. At Key Stage Two performance was below National.

End of Key Stage Outcomes
Foundation Stage

The performance of over half the schools is broadly in line or above national for a Good Level of Development (GLD).

The Early Years Foundation Stage (EYFS) provision is at least good in all the schools and improving towards outstanding.

EYFS % GLD Good level of development 2016	
National	69%
Coventry	65%
Corpus Christi	53%
Good Shepherd	55%
Sacred Heart	72%
SS Peter and Paul	67%
St Gregory	72%
St John Fisher	71%
St Patrick's	77%

Key Stage One

The performance in reading and mathematics in nearly all the schools is broadly in line or above with writing being broadly in line across Romero.

Strong performance at 'greater depth' is evident in the national being met or exceeded in over half the Academies in reading and overall.

The Romero average indicates performance is broadly in line in writing and mathematics.

	At Standard			Greater Depth		
	Reading	Writing	Maths	Reading	Writing	Maths
National	74%	66%	73%	24%	14%	18%
Coventry	70%	62%	70%	N/A	N/A	N/A
Corpus Christi	83%	60%	77%	37%	27%	30%
Good Shepherd	87%	70%	80%	10%	10%	17%
Sacred Heart	83%	70%	80%	43%	23%	32%
SS Peter and Paul	69%	66%	72%	10%	6%	10%
St Gregory	87%	77%	80%	20%	20%	0%
St John Fisher	72%	72%	72%	22%	7%	13%
St Patrick's	69%	62%	73%	24%	8%	12%

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Key Stage Two

Test outcome	English Reading At standard	English Reading At higher standard	English grammar, punctuation and spelling At standard	Writing At standard	Writing Greater depth	Mathematics At standard	Mathematics Higher standard	Combined
National	66%	N/A	72%	74%	N/A	70%	N/A	53%
Coventry	61%	14%	74%	72%	11%	67%	7.1%	49%
Corpus Christi	47%	3%	60%	60%	10%	47%	0%	40%
Good Shepherd	50%	10%	78%	53%	17%	43%	3%	34%
Sacred Heart	62%	20%	91%	90%	31%	78%	10%	53%
SS Peter and Paul	32%	8%	80%	60%	16%	76%	28%	32%
St Gregory	64%	20%	68%	80%	0%	52%	16%	52%
St John Fisher	65%	13%	72%	72%	8%	62%	12%	48%
St Patrick's	39%	0%	57%	61%	0%	39%	0%	22%

Attainment in reading was below national. As a result, this is a priority for all schools in the MAC at all year groups. Further details are contained in the Romero Improvement plan.

Attainment in writing on average is just below national. There are a range of strategies in place through the English and RE programme to raise standards alongside regular moderation sessions in all year groups.

Attainment in mathematics on average is below national. There is a focus in all Academies on reasoning, calculation and the sharing of good practice.

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Combined Figures for KS1 and KS2 and Progress Measu

Combined	Corpus Christi	Good Shepherd	Sacred Heart	SS Peter and Paul	St Gregory	St John Fisher	St Patrick
School KS1 Combined	60%	63%	67%	55%	70%	62%	60%
Difference with KS1 national 60%	0%	+3%	+7%	-5%	+10%	+2%	0%
Combined	Corpus Christi	Good Shepherd	Sacred Heart	SS Peter and Paul	St Gregory	St John Fisher	St Patrick
School KS2 Combined	40%	34%	54%	32%	52%	48%	22%
Difference with KS2 national 54%	-14%	-20%	+1%	-22%	-2%	-6%	-32%
Progress Measures							
Reading progress measure	-2.05	-4.1	-1.8	-6.5	1.1	-1.1	-3.02
Writing progress measure	0.63	-4.7	2.3	-2.7	0.0	-.07	-0.96
Maths progress measure	-2.17	-4.7	-0.8	-0.8	-1.2	-2.4	-3.21
Above floor targets	Yes	Yes	Yes	No	Yes	Yes	Yes

Blue Sky Teaching Alliance

The Blue Sky Teaching School Alliance has been established since September 2014. During the Academic Year 2015 – 2016, Blue Sky worked with eleven Primary schools, two Special schools, two Secondary schools and an Independent school across the Alliance on a range of provision for schools predominantly in Coventry and Warwickshire.

In summary:

Initial Teacher Training

Four trainees took part in School Direct through Blue Sky TSA.

CPD and Leadership development

A project was launched across four schools to embed Singapore Maths and a number of research projects were completed with schools in the Alliance.

Over forty courses were led by Specialist Leaders of Education or Leaders from across the Blue Sky Teaching School Alliance. Evaluations were detailed in the three Progress Reports given at the termly Strategic Partner meetings.

Conferences were led on Pupil Premium, School Improvement, Leadership Conference and Head Teacher Residential with support from the other two Teaching School Alliances in Coventry.

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

School to School Support

National Leader of Education funding was applied for one school and support is ongoing.

A 12 month support programme for a school was completed in January 2016.

Seven schools were supported through deployments of different system leaders. The deployments varied in lengths and evaluations completed to demonstrate impact.

An evaluation return was made to the NCTL in July to detail all expenditure and work carried out through the Alliance.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2016, the Academy received total income of £39,000,035 and incurred total expenditure of £20,924,674. The excess of income over expenditure for the year was £18,075,361.

At 31 August 2016 the net book value of fixed assets was £23,816,622 and movements in tangible fixed assets are shown in note 15 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 March 2016 at £23,598,000.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Principals, and other staff, as well as delegated authority for spending.

Reserves Policy

The Directors review the reserve levels annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors take into consideration the future plans of the MAC and each Academy, the uncertainty over future income streams and other key risks identified during the risk review. Any reserves held are in accordance with the requirements laid down in the Master Funding Agreement and by the EFA.

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

Investment Policy

During this first accounting period all funds have been held in a central bank account with the Lloyds group. Interest is negligible and the Board have not taken out additional investments. The Directors will review their investment policy in the forthcoming financial year in accordance with social, environmental and ethical considerations in relation to the tenets of the Catholic Church.

Each Academy also operates its own bank account for small petty cash transactions.

Principal Risks And Uncertainties

The Academy has agreed a Risk Management Policy and Risk Register which is actively used to manage risk including the financial risks to the MAC and each Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Directors have assessed the major risks to which the MAC is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Directors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the MAC is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from each Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the MAC.

PLANS FOR FUTURE PERIODS

Our future plans include:

- Sustaining, securing and further developing the Catholic life of the MAC
- Staff attraction and retention
- Raising attainment in all schools to be in line with national expectations for attainment and progress
- Review and improve the MAC Financial, HR and pupil attainment systems
- A major contract review to ensure VFM and economies of scale across the MAC
- MAC wide website development to ensure consistency of image, information and ease of access
- Developing leadership skills at Board, LAC and senior leadership levels to include succession planning
- Develop strategies to manage an effective work life balance across the MAC
- Develop our Blue Sky teaching school into a beacon of excellence in its field and increase its capacity to develop staff across our area.

FUNDS HELD AS CUSTODIAN DIRECTOR ON BEHALF OF OTHERS

The MAC does not hold any funds on behalf of others.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Disabled employees make a positive contribution to delivering the objectives of the Academy and our employment procedures highlight the need for reasonable adjustments to be made in order to support employees in carrying out their work.

Where a disabled person is placed at a substantial disadvantage by the requirements of their job, by arrangements in the workplace or by a physical feature of the premises where work or other work-related activities takes place, the Line Manager must consider whether any reasonable adjustments can be made to overcome that disadvantage.

The Academy is committed to ensuring that its recruitment and selection procedures do not disadvantage disabled people at application, interview or when completing any assessments and selection tests.

Any major changes which will impact on an employee's terms and conditions or changes to relevant policies are

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**DIRECTORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016**

sent to Trade Unions before implementation. Major restructures require Trade Union and employee consultation.

AUDITORS

In so far as the Directors are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them was proposed at the Board Meeting.

Directors' Report, incorporating a strategic report, approved by order of the Board of Directors, as Company Directors, on 23 November 2016 and signed on the Board's behalf by:



**Mr Dean Peter Kavanagh
Chair of the Board**

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Directors, we acknowledge we have overall responsibility for ensuring that The Romero Catholic Academy 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 Directors has delegated the day-to-day responsibility to the Principal of Sacred Heart Catholic Primary School, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Romero Catholic Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' report and in the Statement of Directors' responsibilities. The Board of Directors has formally met 11 times during the period. Attendance during the period at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Dean Kavanagh, Chair	10	12
Brendan Fawcett, Vice Chair	12	12
Eleanor Barry	10	12
Sarah McCann	9	12
Jane Marron	11	12
Fionnuala Hegarty	0	0
Yvonne Salter-Wright	0	0
Helen Quinn	12	12
Julie Fulea	9	10
Andrew Bowen	8	10
Colin Beesley	8	10
Patrick Taggart	9	9
John Hussey	1	3
Father Robert Wright	9	10
Margaret McNally	7	7
Grainne Griffiths	7	12

During the year there were the following changes in the composition of the Board of Directors:

John Hussey resigned on the 18th November 2015
Margaret McNally resigned on the 8th May 2016
Patrick Taggart resigned on the 13th June 2016
Fr Robert Wright resigned on the 15th June 2016
Grainne Griffiths resigned on the 31st August 2016

Governance Reviews

The Board have carried out 2 review sessions that have used psychometric assessments to determine the skills mix and individual team type styles of the Directors. This has led to the appropriate allocation of Directors to Core Committees and specific projects.

The Finance, Resources and Premises Committee is a sub-committee of the main Board of Directors. Its purpose is to

- Provide a robust financial environment, which meets all requirements regarding statutory compliance, ensuring solvency and probity, so that the financial resources made available to the Academy Company for running its Academies are managed effectively and efficiently, to provide a quality education for the children in the Academies that is value for money.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

- Provide a strong policy, monitoring, evaluation and reporting framework so the Academy Company and its Academies function in line with the Academies Financial Handbook, so the public money given to educate the children on roll is used effectively and efficiently, to ensure they make at least good progress in all aspects of learning, formation, attainment and progress.
- Enable the Board of Directors of the Academy Company to be accountable for the use of: public monies, diocesan charitable assets (premises and buildings) made available to provide Catholic education; and all other resources held in the ownership of the Academies, by ensuring high standards of management and administration of the Academies' finances and resources.
- Make recommendations to the Board of Directors and to other committees as necessary and appropriate.

Attendance at meetings in the period was as follows:

Member	Meetings attended	Out of a possible
Paul Madia (Chair)	6	6
Sarah McCann (Vice Chair)	5	6
Fr Robert Wright (Foundation Director)	5	5
Andy Bowen (Parent Director)	5	6
Keith Eales (LAC Representative)	4	6
Brendan Fawcett (Attendee)	1	1
Helen Quinn (Attendee)	3	3
Doug Collis (Attendee)	4	4

The Audit Committee is also a sub-committee of the main Board of Directors. Its purpose is to:

- Provide the Board of Directors with assurance over the suitability of, and compliance with, its financial systems and controls.
- Provide internal scrutiny which delivers objective and independent assurance.
- Provide assurances to the Board of Directors that risks are being adequately identified and managed by: reviewing the risks to internal financial controls and agreeing a programme of work to address, and provide assurance on, those risks.
- Investigate any activity within its term of reference, and to seek any information it requires from staff, who are requested to co-operate with the committee as it conducts its investigations.
- Make recommendations to the Board of Directors as necessary and appropriate.

Attendance at meetings in the period was as follows:

Member	Meetings attended	Out of a possible
Brendan Fawcett (Chair)	4	4
Jane Marron (Vice Chair)	3	3
John Hussey (Foundation Director)	1	1
Steve Mangan (LAC Representative)	4	4
Helen Quinn (Attendee)	4	4
Doug Collis (Attendee)	2	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal of Sacred Heart Catholic Primary School has responsibility for ensuring that the MAC delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

The Accounting Officer considers how the MAC's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the MAC has delivered improved value for money during the year by:

- Negotiating an improved Broadband contract for all 8 Academies with the Local Authority
- Obtained a much improved Utilities contract after a thorough tender process
- Bought HR inhouse resulting in significant savings and improvement in service from the previous contract.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of MAC policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Romero Catholic Academy for the period 24 July 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors has reviewed the key risks to which the MAC is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the MAC's significant risks, that has been in place for the period 24 July 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Directors has considered the need for a specific internal audit function and have appointed Dains LLP, to perform risk reviews.

The risk reviewer's role includes giving advice on financial matters and performing a range of checks on the MAC's financial systems.

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations

The reviewer reports to the Board of Directors, through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

GOVERNANCE STATEMENT (continued)

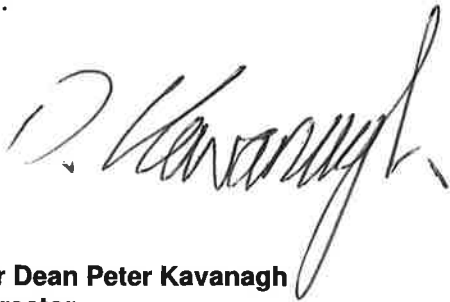
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal of Sacred Heart Catholic Primary School has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the external auditor and risk reviewers;
- the financial management and governance self-assessment process;
- the work of the Head of Finance within the MAC who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Directors on 23 November 2016 and signed on their behalf, by:



**Mr Dean Peter Kavanagh
Director**



**Helen Quinn
Accounting Officer**

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Romero Catholic Academy I have considered my responsibility to notify the Academy Company Board of Directors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Company 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.

I confirm that I and the Academy Company Board of Directors are able to identify any material irregular or improper use of funds by the Academy Company, or material non-compliance with the terms and conditions of funding under the Academy Company's funding agreement and the Academies Financial Handbook 2015.

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 Directors and EFA.



**Helen Quinn
Accounting Officer**

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2016**

The Directors (who act as governors of The Romero Catholic Academy and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Directors and signed on its behalf by:



**Mr Dean Peter Kavanagh
Chair of the Board**

Date: 23 November 2016

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS
OF THE ROMERO CATHOLIC ACADEMY**

We have audited the Financial Statements of The Romero Catholic Academy for the period ended 31 August 2016 which comprise the Statement of Financial Activities incorporating income and expenditure account, the Balance Sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Statement of Directors' responsibilities, the Directors (who are also the Directors of the Academy for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the Financial Statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report, incorporating the Strategic report, for the financial period for which the Financial Statements are prepared is consistent with the Financial Statements.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS
OF THE ROMERO CATHOLIC ACADEMY**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date:

8th Dec 2016

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
ROMERO CATHOLIC ACADEMY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 26 March 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Romero Catholic Academy during the period 24 July 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF THE ROMERO CATHOLIC ACADEMY'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Romero Catholic Academy's funding agreement with the Secretary of State for Education dated 23 July 2015, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 24 July 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the Directors to assess the internal controls throughout the year.

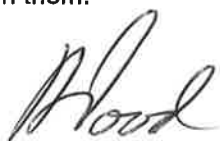
We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
ROMERO CATHOLIC ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 24 July 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Wood FCCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: *8th December 2016*

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
INCOME FROM:					
Donations & capital grants:					
Surplus on joining	2	765,688	(6,813,000)	24,257,753	18,210,441
Other donations and capital grants	2	-	-	239,964	239,964
Charitable activities	3	338,241	20,011,288	-	20,349,529
Other trading activities	4	197,570	-	-	197,570
Investments	5	2,531	-	-	2,531
TOTAL INCOME		1,304,030	13,198,288	24,497,717	39,000,035
EXPENDITURE ON:					
Raising funds		606,859	-	-	606,859
Charitable activities		249,602	19,413,134	655,079	20,317,815
TOTAL EXPENDITURE	8	856,461	19,413,134	655,079	20,924,674
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		447,569	(6,214,846)	23,842,638	18,075,361
Actuarial losses on defined benefit pension schemes	25	-	(5,439,000)	-	(5,439,000)
NET MOVEMENT IN FUNDS		447,569	(11,653,846)	23,842,638	12,636,361
RECONCILIATION OF FUNDS:					
Total funds brought forward		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		447,569	(11,653,846)	23,842,638	12,636,361

All of the Academy's activities derive from acquisitions in the current financial period.

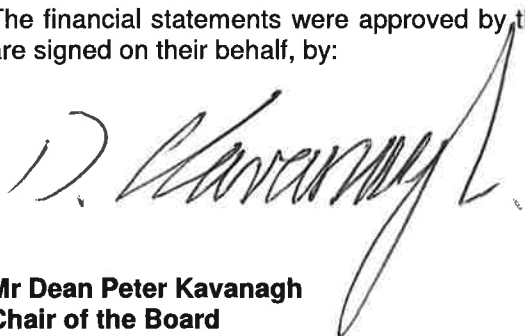
The notes on pages 31 to 60 form part of these financial statements.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 09702162**

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £
FIXED ASSETS			
Tangible assets	15		23,817,622
CURRENT ASSETS			
Debtors	16	640,279	
Cash at bank and in hand		2,105,075	
		<u>2,745,354</u>	
CREDITORS: amounts falling due within one year	17	<u>(1,118,615)</u>	
NET CURRENT ASSETS			<u>1,626,739</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>25,444,361</u>
Defined benefit pension scheme liability	25		<u>(12,808,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>12,636,361</u></u>
FUNDS OF THE ACADEMY COMPANY			
Restricted income funds:			
General funds	19	1,154,154	
Restricted fixed asset funds	19	23,842,638	
		<u>24,996,792</u>	
Restricted income funds excluding pension liability			
Pension reserve		<u>(12,808,000)</u>	
Total restricted income funds			<u>12,188,792</u>
Unrestricted income funds	19		<u>447,569</u>
TOTAL FUNDS			<u><u>12,636,361</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 23 November 2016 and are signed on their behalf, by:



**Mr Dean Peter Kavanagh
Chair of the Board**

The notes on pages 31 to 60 form part of these financial statements.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2016**

	Note	Period ended 31 August 2016 £
Cash flows from operating activities		
Net cash provided by operating activities	21	<u>2,077,567</u>
Cash flows from investing activities:		
Interest received		2,492
Purchase of tangible fixed assets		(214,948)
Capital grants from DfE/EFA		<u>239,964</u>
Net cash provided by investing activities		<u>27,508</u>
Change in cash and cash equivalents in the period		<u>2,105,075</u>
Cash and cash equivalents brought forward		<u>-</u>
Cash and cash equivalents carried forward		<u><u>2,105,075</u></u>

All of the cash flows are derived from acquisitions in the current financial period.

The notes on pages 31 to 60 form part of these financial statements.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Company, 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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Romero Catholic Academy constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

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

1.3 FUND ACCOUNTING

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

1.5 EXPENDITURE

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

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

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

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

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

Long term leasehold property	-	50 years straight line
Office equipment	-	5 years straight line
Computer equipment	-	3 years straight line

Where the Academy Company has been granted use of school buildings from the Catholic Archdiocese of Birmingham under supplemental agreements, the Academy Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Academy Company. The land and buildings have been included since conversion within the long term leasehold property of the Academy Company. On conversion the long term leasehold property was recognised as a donation from the Catholic Archdiocese of Birmingham and was valued using the depreciated replacement cost method. This view differs from the view of the Catholic Church.

The supplemental agreement includes the right for the Catholic Archdiocese of Birmingham Trustees to give not less than 2 years written notice to the Academy Company and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

1.7 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES AND PROVISIONS

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

1.11 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure..

1.12 TAXATION

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

1.13 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

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

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

1.14 CONVERSION TO AN ACADEMY COMPANY

The conversion from a state maintained school to an Academy Company involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion to Romero Catholic Academy have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Donations in the Statement of Financial Activities incorporating income and expenditure account and analysed under unrestricted funds, restricted funds and restricted fixed asset funds.

Land and Buildings have been included as per the valuation by the EFA whilst other fixed assets have been included at amounts valued by Directors. Pension assets and liabilities have been valued by Barnett Waddingham.

Further details of the transaction are set out in note 23.

1.15 AGENCY ARRANGEMENTS

The Academy Company acts as an agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the statement of Financial Activities as the Academy Company does not have control over the charitable application of the funds. The Academy Company 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, paid and any balances held at period end are disclosed in note 17.

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

The Academy Company 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Company obtains use of fixed assets as a lessee. The clarification of such leases as operating or finance lease requires the Academy Company to determine, based on evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Surplus on joining	765,688	(6,813,000)	24,257,753	18,210,441
Capital grants	-	-	239,964	239,964
	<u>765,688</u>	<u>(6,813,000)</u>	<u>24,497,717</u>	<u>18,450,405</u>

THE ROMERO CATHOLIC ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
DfE/EFA grants			
General Annual Grant	-	15,689,872	15,689,872
Start up Grants	-	395,000	395,000
Other DfE/EFA grants	-	2,801,628	2,801,628
	<u>-</u>	<u>18,886,500</u>	<u>18,886,500</u>
Other government grants			
Other Government grants non capital	-	596,924	596,924
High Needs	-	56,047	56,047
	<u>-</u>	<u>652,971</u>	<u>652,971</u>
Other funding			
Internal catering income	225,691	-	225,691
Income for hosting trainee teachers	50,510	-	50,510
Income from Other Academies	-	471,817	471,817
Other	62,040	-	62,040
	<u>338,241</u>	<u>471,817</u>	<u>810,058</u>
	<u><u>338,241</u></u>	<u><u>20,011,288</u></u>	<u><u>20,349,529</u></u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Lettings	45,517	-	45,517
Fees received	152,053	-	152,053
	<u>197,570</u>	<u>-</u>	<u>197,570</u>

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Bank interest	2,531	-	2,531
	<u>2,531</u>	<u>-</u>	<u>2,531</u>

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

6. DIRECT COSTS

	Total 2016 £
Pension finance costs	181,000
Educational supplies	1,117,645
Examination fees	108,775
Staff development	150,842
Other costs	459,552
Supply teachers	224,550
External Education Costs	120,865
Wages and salaries	9,742,353
National insurance	778,236
Pension cost	1,484,367
Depreciation	507,087
	<u>14,875,272</u>

7. SUPPORT COSTS

	Total 2016 £
Pension finance costs	322,000
Educational supplies	548,421
Other costs	3,388
Recruitment and support	68,119
Maintenance of premises and equipment	366,241
Cleaning	213,680
Rent and rates	58,007
Energy costs	230,288
Insurance	180,971
Security and transport	29,537
Catering	236,465
Technology costs	43,781
Office overheads	186,425
Legal and professional	567,766
Bank interest and charges	225
Governance	23,642
Wages and salaries	1,601,101
National insurance	79,943
Pension cost	534,551
Depreciation	147,992
	<u>5,442,543</u>

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

8. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £
Expenditure on fundraising trading	-	-	606,859	606,859
Education:				
Direct costs	12,229,506	-	2,645,766	14,875,272
Support costs	2,215,595	868,216	2,358,732	5,442,543
	<u>14,445,101</u>	<u>868,216</u>	<u>5,611,357</u>	<u>20,924,674</u>

9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	Period ended 31 August 2016 £
Depreciation of tangible fixed assets:	
- owned by the Company	655,079
Operating lease rentals	65,435
Internal audit costs	2,750
Audit costs	<u>21,450</u>

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

10. STAFF COSTS

Staff costs were as follows:

	Period ended 31 August 2016 £
Wages and salaries	11,296,417
Social security costs	858,179
Operating costs of defined benefit pension schemes	2,018,918
	<hr/>
	14,173,514
Supply teacher costs	224,550
Staff restructuring costs	47,037
	<hr/>
	14,445,101

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

	Period ended 31 August 2016
Teachers	200
Educational Support	235
Admin and Clerical	82
Management	19
	<hr/>
	536

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

	Period ended 31 August 2016
In the band £60,001 - £70,000	5
In the band £70,001 - £80,000	1
In the band £90,001 - £100,000	1

The key management personnel of the Academy Company comprise the Directors and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Company was £792,833.

As staff Directors are not remunerated in respect of their role as a Director, where staff Directors do not form part of the key management personnel other than in their role as Director, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

11. DIRECTORS' REMUNERATION AND EXPENSES

The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the Academy in respect of their role as Directors. The value of Directors' remuneration fell within the following bands:

Director	Remuneration	Employer's Pension Contribution
Mr Colin Beesley	£45,000-£50,000	£5,000-£10,000
Ms Helen Quinn	£75,000-£80,000	£10,000-£15,000
Ms Margaret McNally	£5,000-£10,000	£0-£5,000
Ms Grainne Griffiths	£60,000-£65,000	£10,000-£15,000

During the period, no Directors received any benefits in kind.

During the period ended 31 August 2016, expenses totalling £200 were reimbursed to 2 Directors.

12. CENTRAL SERVICES

The Academy has provided the following central services to its Academies during the year:

- Financial Support
- HR Support
- Governance Support
- Insurance
- Broadband
- Finance Systems
- Legal Support
- Payroll
- School Improvement Support

The Academy charges for these services on the following basis:

The charge is based on 5% of GAG income.

The actual amounts charged during the year were as follows:

	Period ended 31 August 2016 £
Corpus Christi Catholic Primary School	61,361
Cardinal Wiseman Catholic School	258,847
Good Shepherd Catholic Primary School	54,070
Sacred Heart Catholic Primary School	95,583
St Gregory's Catholic Primary School	49,890
St John Fisher Catholic Primary School	90,084
St Patrick's Catholic Primary School	54,431
Ss Peter and Paul Catholic Primary School	49,101
Total	713,367

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

13. OTHER FINANCE INCOME

	Period ended 31 August 2016 £
Interest income on pension scheme assets	66,000
Interest on pension scheme liabilities	(569,000)
	<u>(503,000)</u>

14. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was £3,604.

15. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Office equipment £	Computer equipment £	Total £
COST				
Additions	144,818	8,215	61,915	214,948
Transfers on Conversion	23,950,701	135,728	171,324	24,257,753
At 31 August 2016	<u>24,095,519</u>	<u>143,943</u>	<u>233,239</u>	<u>24,472,701</u>
DEPRECIATION				
Charge for the period	464,175	49,597	141,307	655,079
At 31 August 2016	<u>464,175</u>	<u>49,597</u>	<u>141,307</u>	<u>655,079</u>
NET BOOK VALUE				
At 31 August 2016	<u>23,631,344</u>	<u>94,346</u>	<u>91,932</u>	<u>23,817,622</u>

16. DEBTORS

	2016 £
Trade debtors	34,798
VAT Recoverable	206,932
Prepayments and accrued income	398,549
	<u>640,279</u>

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £
Trade creditors	26,575
Other taxation and social security	237,686
Other creditors	210,482
Accruals and deferred income	643,872
	<u>1,118,615</u>
	£
DEFERRED INCOME	
Deferred income at 24 July 2015	-
Resources deferred during the year	<u>353,175</u>

At the year end, £168,982 has been deferred in respect of income for Universal Infant Free School meals, £106,359 in respect of DFC income received in advance, £8,544 in respect of Network Fund income received in advance, £11,166 in respect of Sports Grant income, £960 relating to Award for All income, £39,261 of trip income and £2,892 of dinner money paid in advance, £12,273 relating to the 16-19 bursary, £1,444 in respect of nursery fees paid in advance and £1,294 of Early Years income.

18. FINANCIAL INSTRUMENTS

	Period ended 31 August 2016 £
Financial assets measured at fair value through income and expenditure	2,105,075
Financial assets measured at amortised cost	34,798
	<u>2,139,873</u>
Financial liabilities measured at fair value through income and expenditure	<u>670,447</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank.

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at fair value through income and expenditure comprise trade creditors, accruals and deferred income.

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

19. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS					
Unrestricted funds	-	1,304,030	(856,461)	-	447,569
RESTRICTED FUNDS					
General Annual Grant (GAG)	-	17,201,429	(16,047,275)	-	1,154,154
Higher Needs funding	-	56,047	(56,047)	-	-
Pupil Premium (PP)	-	1,189,371	(1,189,371)	-	-
Start Up Grant (SUG)	-	395,000	(395,000)	-	-
Other Grants	-	697,624	(697,624)	-	-
Income from Other Academies	-	471,817	(471,817)	-	-
Pension reserve	-	(6,813,000)	(556,000)	(5,439,000)	(12,808,000)
	-	13,198,288	(19,413,134)	(5,439,000)	(11,653,846)
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	-	24,257,753	(655,079)	-	23,602,674
DfE/EFA Capital grants	-	40,898	-	-	40,898
School Condition Allowance	-	199,066	-	-	199,066
	-	24,497,717	(655,079)	-	23,842,638
Total restricted funds	-	37,696,005	(20,068,213)	(5,439,000)	12,188,792
Total of funds	-	39,000,035	(20,924,674)	(5,439,000)	12,636,361

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

RESTRICTED FUNDS:

General Annual Grant (GAG) - income in restricted funds relates the General Grant which is provided to the School by the Education Funding Agency in order to fund the day-to-day operations of the Academies.

Higher Needs funding - in restricted grants relates to funding provided by Coventry County Council for the Academies to provide additional support to pupils with high needs.

Pupil Premium (PP) - income in restricted grants relates to funding provided by the Education Funding Agency for the Academies to provide additional support to pupils from low income families.

Start Up Grants (SUG) - The represents one off funding received from the EFA to contribute to the cost of converting from a school to an Academy.

Other grants - income which has been received for specific purposes from the EFA.

Income from Other Academies - income received from other Academies for services and training provided.

Pension reserve - this represents the Academies share of the assets and liabilities in the Local

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

19. STATEMENT OF FUNDS (continued)

Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

RESTRICTED FIXED ASSET FUNDS:

Fixed assets transferred on conversion - this represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Devolved Formula Capital funding (DFC) - are restricted grants related to funding provided by the Education Funding Agency for the Academies to use for the purchase or maintenance of fixed assets.

School Condition Allowance (SCA) - are restricted grants related to a grant provided to the Academies from the School Condition Allowance fund to be used for the capital works of the Academies, as deemed necessary.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £
Romero Catholic Academy	280,590
Corpus Christi Catholic Primary School	158,140
Cardinal Wiseman Catholic School	18,546
Good Shepherd Catholic Primary School	80,251
Sacred Heart Catholic Primary School (and Blue Sky Teaching)	160,050
St Gregory's Catholic Primary School	187,767
St John Fisher Catholic Primary School	262,689
St Patrick's Catholic Primary School	247,393
Ss Peter and Paul Catholic Primary School	206,297
	<hr/>
Total before fixed asset fund and pension reserve	1,601,723
Restricted fixed asset fund	23,842,638
Pension reserve	(12,808,000)
	<hr/>
Total	12,636,361
	<hr/> <hr/>

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each Academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2016 £
Romero Catholic Academy	-	297,984	-	1,011,769	1,309,753
Corpus Christi Catholic Primary School	979,053	212,915	107,775	239,118	1,538,861
Cardinal Wiseman Catholic School	5,722,781	973,303	625,857	779,865	8,101,806
Good Shepherd Catholic Primary School	835,017	170,574	102,411	217,627	1,325,629
Sacred Heart Catholic Primary School (and Blue Sky Teaching)	1,432,509	284,675	200,330	427,240	2,344,754
St Gregory's Catholic Primary School	614,993	151,792	103,189	130,192	1,000,166
St John Fisher Catholic Primary School	1,223,030	207,703	110,401	339,230	1,880,364
St Patrick's Catholic Primary School	769,773	136,741	110,350	179,323	1,196,187
Ss Peter and Paul Catholic Primary School	624,350	115,885	109,344	166,496	1,016,075
	12,201,506	2,551,572	1,469,657	3,490,860	19,713,595

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	23,817,622	23,817,622
Current assets	447,569	2,223,887	73,898	2,745,354
Creditors due within one year	-	(1,069,733)	(48,882)	(1,118,615)
Provisions for liabilities and charges	-	(12,808,000)	-	(12,808,000)
	447,569	(11,653,846)	23,842,638	12,636,361

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**NOTES TO THE FINANCIAL STATEMENTS
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**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	Period ended 31 August 2016 £
Net income for the year (as per Statement of financial activities)	18,075,361
Adjustment for:	
Depreciation charges	655,079
Interest receivable	(2,492)
Increase in debtors	(640,279)
Increase in creditors	1,118,615
Capital grants from DfE and other capital income	(239,964)
Defined benefit pension scheme cost less contributions payable	53,000
Defined benefit pension scheme finance cost	503,000
Pension liability brought in on conversion	6,813,000
Fixed assets brought in on conversion	(24,257,753)
Net cash provided by operating activities	2,077,567

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Period ended 31 August 2016 £
Cash in hand	2,105,075
Total	2,105,075

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
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23. CONVERSION TO AN ACADEMY COMPANY: Corpus Christi Catholic Primary School

On 1 August 2015 Corpus Christi Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	1,946,644	1,946,644
- Other tangible fixed assets	-	-	61,962	61,962
Budget surplus/(deficit) on LA funds	103,286	-	-	103,286
Net assets/(liabilities)	103,286	-	2,008,606	2,111,892

The above net assets include £103,286 that were transferred as cash.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

CONVERSION TO AN ACADEMY COMPANY: Cardinal Wiseman Catholic School

On 1 August 2015 Cardinal Wiseman Catholic School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	10,213,000	10,213,000
- Other tangible fixed assets	-	-	73,761	73,761
Budget surplus/(deficit) on LA funds	2,731	-	-	2,731
	<hr/> 2,731 <hr/>	<hr/> - <hr/>	<hr/> 10,286,761 <hr/>	<hr/> 10,289,492 <hr/>
Net assets/(liabilities)				

The above net assets include £2,731 that were transferred as cash.

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(A COMPANY LIMITED BY GUARANTEE)**

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CONVERSION TO AN ACADEMY COMPANY: Good Shepherd Catholic Primary School

On 1 August 2015 Good Shepherd Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	1,376,824	1,376,824
- Other tangible fixed assets	-	-	38,163	38,163
Budget surplus/(deficit) on LA funds	102,243	-	-	102,243
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets/(liabilities)	102,243	-	1,414,987	1,517,230
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The above net assets include £102,243 that were transferred as cash.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
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CONVERSION TO AN ACADEMY COMPANY: Sacred Heart Catholic Primary School

On 1 August 2015 Sacred Heart Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,627,000	2,627,000
- Other tangible fixed assets	-	-	82,799	82,799
Budget surplus/(deficit) on LA funds	46,340	-	-	46,340
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets/(liabilities)	46,340	-	2,709,799	2,756,139
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The above net assets include £46,340 that were transferred as cash.

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**NOTES TO THE FINANCIAL STATEMENTS
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CONVERSION TO AN ACADEMY COMPANY: St Gregory's Catholic Primary School

On 1 August 2015 St Gregory's Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,129,233	2,129,233
- Other tangible fixed assets	-	-	32,109	32,109
Budget surplus/(deficit) on LA funds	89,500	-	-	89,500
	<u>89,500</u>	<u>-</u>	<u>2,161,342</u>	<u>2,250,842</u>
Net assets/(liabilities)				

The above net assets include £89,500 that were transferred as cash.

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CONVERSION TO AN ACADEMY COMPANY: St John Fisher Catholic Primary School

On 1 August 2015 St John Fisher Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,646,000	2,646,000
- Other tangible fixed assets	-	-	5,267	5,267
.	-	-	-	-
Budget surplus/(deficit) on LA funds	163,954	-	-	163,954
Net assets/(liabilities)	163,954	-	2,651,267	2,815,221

The above net assets include £163,954 that were transferred as cash.

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CONVERSION TO AN ACADEMY COMPANY: St Patrick's Catholic Primary School

On 1 August 2015 St Patrick's Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	1,642,000	1,642,000
- Other tangible fixed assets	-	-	8,758	8,758
Budget surplus/(deficit) on LA funds	106,843	-	-	106,843
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets/(liabilities)	106,843	-	1,650,758	1,757,601
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The above net assets include £106,843 that were transferred as cash.

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
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CONVERSION TO AN ACADEMY COMPANY: Ss Peter and Paul Catholic Primary School

On 1 August 2015 Ss Peter and Paul Catholic Primary School converted to Academy Company status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Romero Catholic Academy from The Catholic Archdiocese of Birmingham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities incorporating income and expenditure account as Donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	1,370,000	1,370,000
- Other tangible fixed assets	-	-	4,233	4,233
Budget surplus/(deficit) on LA funds	150,791	-	-	150,791
	<u>150,791</u>	<u>-</u>	<u>1,374,233</u>	<u>1,525,024</u>
Net assets/(liabilities)				

The above net assets include £150,791 that were transferred as cash.

CONVERSION TO AN ACADEMY COMPANY: The Romero Catholic Academy

Also transferred on conversion is an LGPS Pension deficit for all Academies of £6,813,000.

**THE ROMERO CATHOLIC ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

24. CAPITAL COMMITMENTS

At 31 August 2016 the Academy had capital commitments as follows:

	2016 £
Contracted for but not provided in these financial statements	169,170

25. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are Multi-employer defined benefit pension schemes.

As described in note 23 the LGPS obligation relates to the employees of the Academy Company, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Company at the Balance Sheet date.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £196,399 were payable to the schemes at 31 August 2016 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

25. PENSION COMMITMENTS (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £1,168,184.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate Director-administered funds. The total contribution made for the period ended 31 August 2016 was £1,350,000; of which employer's contributions totalled £1,064,000. and employees' contributions totalled £286,000. The agreed contribution rates for future years are 14.6% - 21.2% for employers and 5.3% - 9.9% for employees.

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

Principal actuarial assumptions:

	2016
Discount rate for scheme liabilities	2.20 %
Rate of increase in salaries	3.75 %
Rate of increase for pensions in payment / inflation	2.00 %
Inflation assumption (CPI)	2.00 %

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

	2016
Retiring today	
Males	23.1
Females	25.8
Retiring in 20 years	
Males	25.3
Females	28.1

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

25. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £
Equities	1,004,000
Government bonds	135,000
Property	117,000
Other bonds	145,000
Cash/liquidity	109,000
Other	183,000
	<hr/>
Total market value of assets	1,693,000 <hr/> <hr/>

The actual return on scheme assets was £201,000.

The amounts recognised in the Statement of Financial Activities incorporating income and expenditure account are as follows:

	Period ended 31 August 2016 £
Current service cost (net of employee contributions)	(1,117,000)
Net interest cost	(503,000)
	<hr/>
Total	(1,620,000) <hr/> <hr/>

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

	Period ended 31 August 2016 £
Upon conversion	6,983,000
Current service cost	1,117,000
Interest cost	569,000
Contributions by employees	286,000
Actuarial losses	5,574,000
Benefits paid	(28,000)
	<hr/>
Closing defined benefit obligation	14,501,000 <hr/> <hr/>

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

25. PENSION COMMITMENTS (continued)

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

	Period ended 31 August 2016 £
Upon conversion	170,000
Interest income	66,000
Actuarial gains and (losses)	135,000
Contributions by employer	1,064,000
Contributions by employees	286,000
Benefits paid	(28,000)
	<hr/>
Closing fair value of scheme assets	1,693,000
	<hr/> <hr/>

26. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy Company's future minimum lease payments under non-cancellable operating leases was:

	2016 £
AMOUNTS PAYABLE:	
Within 1 year	65,435
Between 1 and 5 years	95,657
	<hr/>
Total	161,092
	<hr/> <hr/>

27. 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.

28. GENERAL INFORMATION

The Romero Catholic Academy is a Company limited by guarantee, incorporated in England and Wales. The registered office is c/o Corpus Christi Catholic Primary School, Langbank Avenue, Coventry, West Midlands, CV3 2QP.

**THE ROMERO CATHOLIC ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
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29. RELATED PARTY TRANSACTIONS

Owing to the public nature of the Company's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which a Director has an interest. All transactions involving such organisations are conducted at arm's length basis in accordance with the Company's financial regulations and normal procurement procedures.

Mrs M Taggart, wife of Mr P Taggart, a Director for part of the period, is employed as an office assistant receiving a gross salary in the band £20,000 - £25,000 in addition to defined benefit pension scheme contributions. Mrs M Taggart's appointment was made in open competition and Mr P Taggart was not involved in the decision making process. Mrs M Taggart is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with a Director.

Transactions with Perry Interim Mangement Services, a Company where a close relative of Helen Quinn, Director, is a Director and Majority Shareholder, occurred during the period. These consisted of £2,073 of purchases and £nil sales. The balance at the year end was £nil.