

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2010

Company Registration No: 06336693

Charity Registration No: 1122655

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONTENTS

| | Page |
|---|-------------|
| Reference and administrative information | 1 |
| Report of the Trustees | 3 |
| Independent auditors' report | 14 |
| Consolidated statement of financial activities | 16 |
| Charitable company statement of financial activities | 17 |
| Consolidated income and expenditure account | 18 |
| Consolidated statement of total recognised gains and losses | 19 |
| Consolidated balance sheet | 20 |
| Charitable company balance sheet | 21 |
| Consolidated cash flow statement | 22 |
| Principal accounting policies | 24 |
| Notes to the financial statements | 27 |
| | |
| The following pages do not form part of the statutory financial statements: | |
| Detailed income and expenditure account | 49 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

| Trustee | Status | Committees | Appointed | Resigned |
|-------------------------------|-------------------------------|---|------------------|-----------------|
| P Murray Board Chair | Sponsor Ormiston Trust | Resources Extended Schools Shireland Learning sub Committee | | |
| I Cleland Board Vice-Chair | Sponsor Ormiston Trust | Resources Shireland Learning sub Committee Extended Schools Local Governing Body | | |
| J Hodgetts | Sponsor Ormiston Trust | Extended Schools Shireland Learning sub committee (Chair) Local Governing Body | | |
| Sir M Grundy | Ex-Officio | Resources Extended Schools Shireland Learning sub Committee Local Governing Body | | |
| D Seddon | Sponsor Shireland Learning | Local Governing Body | | 28.10.10 |
| A Price | Sponsor Shireland Learning | Extended Schools Local Governing Body | | 28.10.10 |
| T Latham | Sponsor Shireland Learning | | | 28.10.10 |
| Councillor G S Sidhu | Local Authority | Local Governing Body | | 21.12.09 |
| N Hussain | Parent | Extended Schools Local Governing Body | | |
| S Wall | Parent | Resources Local Governing Body | | |
| J Hall | Parent | Shireland Learning sub Committee Local Governing Body | | 16.06.10 |
| A Savell-Boss | Parent | Resources (Chair) Extended Schools Local Governing Body | | |
| S R Malhi | Local Authority | Local Governing Body SCA | 16.06.10 | |
| S T Mulligan | Sponsor Ormiston Trust | | 11.11.10 | |
| M Church | Sponsor Ormiston Trust | | 11.11.10 | |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Secretary

I Foyle

Senior Managers

| | |
|-----------|--|
| J Evans | Associate Principal Shireland (until 31 December 2009) |
| M Green | Principal George Salter |
| A Grace | Principal Shireland |
| A Whiles | Vice-Principal Shireland (until April 2010) |
| P Clayton | Vice-Principal Shireland (until November 2010) |
| B Sandhu | Vice-Principal George Salter |
| B Banks | Vice-Principal George Salter |
| J Kellas | Director of Finance |

Registered Office

Waterloo Road
Smethwick
West Midlands
B66 4ND

Company Registration No: 06336693

Charity Registration No: 1122655

Auditors

Clement Keys
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

Bankers

The Co-operative Bank Plc
118 – 120 Colmore Row
Birmingham
B3 3BA

Solicitors

Stone King Sewell
16 St John's Lane
London
EC1M 4BS

Browne Jacobson
44 Castle Gate
Nottingham
NG1 7BJ

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

The Trustees present their report together with the financial statements of the charitable company for the year ending 31 August 2010. This report has been prepared in accordance with Part VI of the Charities Act 1993.

The financial statements have been prepared in accordance with the accounting policies on pages 24 to 26 of the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Collegiate Academy Trust comprises two Academies; The George Salter Collegiate Academy ("GSCA") and Shireland Collegiate Academy ("SCA") constituted as one legal entity.

The Collegiate Academy Trust ("The Academy") is a company limited by guarantee with no share capital (registration no. 6336693) and a registered charity (registration no. 1122655). It was incorporated on 7 August 2007 and registered as a charity on 6 February 2008. The Academy effectively commenced operations on 1 September 2007. The charitable company's memorandum and articles of association are the primary governing documents of the Academy. Members of the charitable company are nominated by either the Secretary of State for Education, or by the main sponsors of the Academies, Ormiston Trust and Shireland Learning Limited ("SLL"). The articles of association require the members of the charitable company to appoint at least 3 trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of both Academies.

Revised Articles of Association were adopted by Special Written Resolution on 18 August 2010. These Articles give the sole power to appoint 8 Sponsor Trustees to the Ormiston Trust.

Each Academy has a Local Governing Body. The role of the Local Governing Body is to monitor the performance of its Academy and monitor the implementation of policies agreed by the Collegiate Academy Board. Each Local Governing Body is required to appoint 12 Governors.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while 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.

Trustees

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

The trustees were appointed following consultation with the local community and parents. The Collegiate Academy Board constitution determines the need for; 8 sponsor trustees, the Executive Principal, 2 LA trustees and 4 family trustees.

Each Local Governing Body is comprised of; 3 sponsor trustees, the Executive Principal, the Academy Principal, 1 LA trustee, 4 family trustees and 2 staff representatives. The governing body membership of each Academy must have a majority of trustees from the Collegiate Board. The Trustees who were in office at 31 August 2010 and who served throughout the year are those listed on page 1.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

During the year under review the Trust held 4 Board meetings, 4 Resources Committee meetings, 4 Governing Body (GSCA) meetings, 3 Governing Body (SCA) meetings, and three Extended Schools meetings. There has been no meeting of the SLL Sub Committee during this year, there were 4 meetings of the Shireland Learning Board (the subsidiary company).

Training was available for Trustees who asked for support during the year. Training was organised for Trustees with responsibilities regarding the admissions, exclusions and appeals process for students. Training was also organised to reinforce the roles and responsibilities of Trustees and the accountability of Trustees with regard to OFSTED. All Trustees were given the opportunity to tour each academy and meet with staff and students and have been asked to act as link Trustees to areas where they have a particular interest.

Our new trustees were provided with copies of relevant policies and procedures and issued with the Trustee induction pack, containing all relevant information, by the Company Secretary. Trustees were also given the opportunity to attend an induction training session, and a one to one induction session was arranged with the Executive Principal. A full year training programme was established for Trustees/Governors with training on a variety of current issues for them to take the opportunity to attend.

In addition to the in year training course, a Trustee portal has been created on the Academies' learning portal. The portal stores all relevant information for Trustees, information on training sessions, and updates Trustees on weekly events in each Academy, current news and links to areas of interest. It is hoped that this will continue to be developed during the remainder of 2010 into 2011.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year. In preparing financial statements giving a true and fair view, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the charitable company and group and which 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

Organisational structure

The Collegiate Academy is based on two campuses, Shireland Collegiate Academy (“SCA”) and George Salter Collegiate Academy (“GSCA”). These two campuses retained individual Young People’s Learning Agency (“YPLA”) School status and are both 11-19 schools. The campuses operate under a single ethos and style of operation but support two very different local communities. A management structure has been introduced to co-ordinate the work of both Academies. The structure consists of four levels, the Collegiate Academy Trustees, each individual Academy Governing Body, the Executive Leadership Team and the Senior Leadership Team of each Academy. The aim of this structure is to give clear management that allows the relevant responsibilities to be devolved and encourages involvement in decision making at all levels.

The Collegiate Academy Trustees are responsible for setting all policies, approving the annual budget and monitoring the Academies. They also take major decisions about the direction of the Academies, capital expenditure and Executive Team appointments and dismissals.

Each Local Governing Body then has the responsibility to ensure the direction set by the Collegiate Trustees is maintained and relevant monitoring systems are in place to ensure adherence.

The Executive Leadership Team consisted of the Executive Principal, the Principals, the Director of Finance and Director of Human Resources.

These individuals have responsibility for the implementation of decisions made by the Collegiate Board in relation to any aspect of each Academy’s management and organisation, but in particular in respect of the curriculum, financial management, Human Resources and the development of Extended Schools.

The Executive Leadership Team meets on a weekly basis to plan, deliver and evaluate the provision of the work of the trust. The two Senior Leadership Teams which operate within each Academy also meet weekly and ensure the work of the Executive Leadership Team is translated into the workings of each Academy, in particular organising staff, facilities and students. The Senior Management Team consists of 9 Curriculum Managers at SCA and 8 Curriculum Managers at GSCA.

Subsidiary company

Shireland Collegiate Academy is the sole member of Shireland Learning Limited (“SLL”), a company incorporated in England (registration no. 6052021). As reported in the audited accounts for the year ended 31 August 2010, SLL made a profit of £2,145 (Period ended 31 August 2009: £71,601 loss).

Shireland Learning provides an innovative school improvement function, which delivers many of the core activities for the Collegiate Academy Trust. This trading subsidiary supports both local and national schools in their embedding of technology to raise standards, support staff and engage with families and communities. The activities of SLL have been used to exemplify outstanding practice in this field by YPLA, BECTA and the National College of School leadership. Both Academies gain significant reputational coverage due to the work of SLL.

SLL was a sponsor of The Collegiate Academy Trust until 18 August 2010 and though no direct donations have been received by the Academy Trust..

Through the work of SLL, both Academies have benefited by approximately £80,000. Microsoft do not charge either Academy for any Microsoft software, whilst they have a working relationship with SLL. In addition to this, SLL have secured with Synetrix free hosting for both Academies for this year and the following two years. The benefit in kind to the Academies this year totals £25,000. In total SLL have secured support to the trust of £105,000.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

SLL has repaid in full at 31 August the cost of the ICT infrastructure that was agreed in 2007 would be leased over a 3 year period. In paying the amounts due under this lease arrangement, SLL have repaid interest to the Academy at a higher rate than was obtainable via investment.

Further details regarding the subsidiary company are given in note 13 to the financial statements.

Risk management

The Trustees of the Collegiate Academy are responsible for the management of the risks faced by each Academy. Detailed consideration of risk has been delegated to the Resources Committee and members of the Executive Leadership Team and Senior Leadership Teams within each Academy. Strategic and Operational Risks have been identified, assessed and controls put in place to minimise risk throughout the year. Specific emphasis has been placed on ensuring systems and procedures are in place and operational. Training has been facilitated by an external consultant for both the Executive and Senior Management teams and both risk registers reviewed for accuracy and action. In the last meeting of the year, Trustees were presented with a report detailing the action taken to date and identified areas for review for the coming academic year, to ensure all risks are monitored and minimised wherever possible. Training days were also held at the end of the summer term (July 2010) for Senior Managers showing the links of the risk register to the continuity planning of the Trust.

The key controls used by Trustees to inform this process, include:

- A clear governance structure;
- Detailed terms of reference for the Resources committee, with clear levels of financial delegation;
- Detailed terms of reference for SLL Sub Committee;
- Effective systems of internal financial control;
- A governor's induction process;
- A training programme for managers;
- Three year financial planning linked to the overall objectives of the Charity;
- Clear organisational structure with defined lines of reporting;
- A detailed review of policies to ensure all relevant legislation is complied with; to include human resources, finance, health and safety, and student care; and
- Review and challenge by an independent external consultant.

Through the Risk Management process, the Trustees of the Collegiate Academy are satisfied that all major risks have been identified and steps taken to mitigate where necessary. Trustees recognised that systems can only provide reasonable, but not absolute assurance that major risks have been adequately managed.

Statement on the system of internal financial control

As Trustees we acknowledge that we have overall responsibility for ensuring that both Academies have effective and appropriate systems of control, financial and otherwise. We are also responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position and enable us to ensure the financial statements comply with both the Companies and Charity Acts. We also acknowledge responsibility for safeguarding the assets of both Academies and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that;

- Each Academy is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- That proper records are maintained and financial information used within the Academy or for publication is reliable; and
- The Academy complies with relevant laws and regulations.

The Collegiate Academy's system of internal financial control is based on the framework set by the YPLA of regular management information and administrative procedures including the segregation of duties and a

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

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 Trustees;
- regular reviews by the Trustees and Resources committee of reports which indicate financial performance against the forecast;

- termly reports to each Academies Governing Body on use of resources linked to development plans;
- formal agreement of all major purchase plans, capital works and expenditure programmes as per the delegation limits agreed by Trustees;
- the setting of annual targets to measure financial and other performance;
- clearly defined Best Value and Tendering guidelines;
- clear delegation of authority, and segregation of duties;
- identification and management of risks; and
- Use of 3 year financial planning, linking into the development planning of each Academy.

In addition, the Trustees have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the Academy it should, as a publicly funded body, adopt these guidelines as best practice. Accordingly they have set policies on internal controls which cover the following:

- the type of risks the Academy faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks materialising;
- the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise;
- the costs of operating particular controls relative to the benefits obtained;
- clarifying the responsibility of the Executive Leadership Team to implement the policies agreed by Trustees and to identify and evaluate risks for their consideration;
- explaining to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embed the control systems identified in the financial manuals, via use of the learning gateway, so that it becomes part of the Academies culture, with minimal use of administrative time;
- allow the development of systems to respond quickly to risks arising on an ad hoc basis; and
- allow a clear process for responding to emergencies and reporting failures to the appropriate levels and ensuring action is taken as quickly as possible with all relevant documentation retained.

The Trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the Trustees have appointed Mr Ian Foyle, the company secretary, as the Responsible Officer ("RO"). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The RO reported, in accordance with guidance from the YPLA, to the Trustees on the operation of the systems of control and on the discharge of the trustees' financial responsibilities in 2009/1010. Mr Foyle produced termly detailed reports and reported directly to Trustees, throughout the year. In addition to this, Clement Keys (the appointed auditors) were asked to complete at the half year point in the year, a review of the transactions and accuracy of processes. A report on their findings was presented to the Resources Committees.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

OBJECTIVES AND ACTIVITIES

Objects, aims and objectives

In setting our objectives the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. All Trustees have been issued with the relevant information and this has been translated in the workings of both Academies via the development planning process.

The Collegiate Academy Trust's main objective is: "to advance, for the public benefit, education, by establishing, maintaining, carrying on, managing and developing, a broad curriculum and by providing facilities for recreational and other leisure time occupation for the community".

The Collegiate Academy has at its core, a mission to secure high performance and raise aspiration. The Trustees' underpinning ethos within the Collegiate Academy is a belief in the potential of all learners and a commitment to provide the environment which unlocks that potential and develops the individual and collective self-esteem and confidence which is the pre-requisite of an enterprising culture.

The Trustees have an absolute commitment to the Every Child Matters agenda, with both Academies fully committed to the characteristics of full-service Extended Schools.

The communities that the two schools of the Collegiate Academy Trust serve are very individual but have some areas of commonality. George Salter serves a community which is broadly equal in terms of young people from ethnic minority backgrounds and from British white background, whereas Shireland serves a community which is predominantly from ethnic minority communities with a small white contingent. There are considerable challenges faced by both communities in terms of employment and health related issues and both schools play very active roles in their respective locations. The Academy is committed to the concept of full service extended schools and the two academies actively pursue this expectation. The students and their families benefit significantly from the activities which are located and distributed from each academy. The provision of study support, child care, adult training, sport and art related activities and finally community partnership are both unusual and inspiring. The use of technology at Shireland is exemplary and much work has been undertaken to develop a Family Portal which provides our families with access to information, guidance and training via the internet. This is growing in popularity and we are anticipating rolling this out across both of our locations in the next academic year.

Both Academies have a standard intake of 180 with provision for 900 students aged 11 to 16. Both Academies follow fair banding admissions to ensure fully comprehensive admissions criteria and equality is achieved within the individual local communities. The vast majority of the students attending both academies live in the vicinity of the academy, our schools are very much "community schools".

In addition, Shireland is the lead school for the Sandwell South Consortium for Sixth Form students with over 390 students on roll in this year. The co-ordinatory role for this provision is at George Salter under the management of Mr Mick Green. This year has seen both Academies make significant progress in terms of standards and has seen a complete review of the organisation of our Post 16 delivery.

The Collegiate Academy key aims have been taken from the initial development of the Expression of Interest to develop an innovative curriculum across both campuses which:

- developed key competences in an interactive context driven curriculum based on the RSA Opening Minds framework;
- started to grow an enterprise environment;
- offered a curriculum based not upon the more common model of multiple intelligences but based upon an emotional intelligence based model;
- provided just-in-time delivery to learners wherever they are in the world through the development of Shireland's Learning Gateway;

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

- provided a virtual extended school through taking the Gateway technology into all homes and places of learning;
- offered language as a school improvement strategy, utilising the culturally and linguistically rich communities served by the Collegiate Academy and leading in the area on the National Languages Strategy;
- raises aspirations, recognising the importance of Arts in the development of individuals;
- supports individual, economic and community development through performing arts and links to creative industries; and
- Supports schools in the Borough and nationally by extending the Gateway to provide access for all learners and encouraging the development of e-learning, for example in the establishment of a “virtual school” for Looked after Children.

Strategies and activities

The Collegiate Academy Trust has focussed throughout this third year on a number of specific developments which are integral to the delivery of the objects and the associated objectives. The commitment to the Every Child Matters agenda, and to the establishment of full-service Extended Schools at both Academies, has driven much of what has been achieved again this year. Both Academies have undertaken the Ormiston ECM Quality Mark and both are working towards Silver status and then onto Gold.

At both Academies discussions have taken place with community partners to identify need and then jointly offer delivery to satisfy this identified need. Community Boards are in place at both Academies and are shaping our Extended School provision for the future.

Equal opportunities policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. Both Academies aim to establish equal opportunity in all areas of activity including creating a working environment in which the contribution and needs of all people are fully valued. The Academies share a single Equal Opportunities policy.

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

In the period of time preceding major capital investment, we are continuing to improve our facilities to ensure that we fulfil our obligations under the DDA framework.

ACHIEVEMENTS AND PERFORMANCE

Our achievements in our third year are extremely pleasing and in many areas have reached record highs.

Some of key achievements include:

- Year 11 Achievement - the GCSE results 2010. The successes in both Academies in 5 A*-C including English and Mathematics are most pleasing. These are 38% at GSCA (39% in 2009) and 33% at SCA (38% in 2008). These are pleasing results especially in relation to FFT (D) forecasts and demonstrate the target set for GSCA was delivered however the target set for SCA was missed. The Year 11 group at SCA was however the weakest in this country.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

- GCSE 5 A*-C results which are 96% at GSCA and 61% at SCA – both schools can be justifiably proud of these results, and once again for both schools are better than the previous year. The targets set for both schools were achieved.
- Post 16 Achievement - A 100% success rate in all subjects in A2 at grades A-E and 70% at grades A-C is most encouraging given the point of entry to Post 16 study for a number of our students is particularly low. The inclusive approach that we have taken regarding admissions is a continual concern in relation to standards but is central to our philosophy of inclusive education. The targets set for both schools were achieved.
- A 95% pass rate in AS at grades A-E and 50% in grades A-C was also most pleasing. The targets set for both schools were achieved.
- Attendance increased at SCA from 90.11% in 2008/9 to 91.6% this year; Eid celebrations and snow caused subsequent closure. At George Salter an increase from 90.9% to 92.5%, where the school was dramatically affected by two Eid celebrations and the impact of reduced attendance on snow days. As the target set for the schools was 92%, we are disappointed with the final figures as both schools were disadvantaged by factors beyond their control.

Establishing strong community links:

- The Community Boards are now influencing the relationship with key local partners. A considerable amount of work has taken place at both Academies on the development of Family Portals which operate via the Learning Gateway.

Developing extended school agenda:

- The provision across the core offerings at both Academies has matured still further throughout this our third year. The provision of support for students is outstandingly good, and there are pragmatic plans in place to develop the other key strands of the YPLA Extended School provision.

Development of the Year 7 competency based curricula at both Academies has continued to progress well. The models are based on a hybrid of “best of breed” Primary practice and the competency based structure which we have piloted now for two years. At Shireland, students are being taught in bespoke accommodation, by a dedicated team and will be provided with a wireless device and supported both at school and at home, via our Learning Gateway. At George Salter a tri-partite model of provision has evolved whereby the differing cohorts experience a diet based upon a core provision and differentiated extensions.

The Collegiate Academy Trust’s main objective is: “to advance, for the public benefit, education by establishing, maintaining, carrying on, managing and developing, a broad curriculum and by providing facilities for recreational and other leisure time occupation for the community”.

Some of the most pleasing developments in this third year which have explicitly supported this objective are:

- Inspection result at George Salter which categorised the school as ‘Outstanding’.
- At Shireland despite a very difficult year with the school unfairly being placed into Special Measures the year ended well with the Monitoring visit classifying the progress as Good overall.
- The provision of laptops for many of our students via the Home Access programme and more recently the joint project with the e-learning foundation.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

FINANCIAL REVIEW

Financial report for the year

Most of the Collegiate Academy's income is obtained from the YPLA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the YPLA during the year ended 31 August 2010 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academies also receive grants for fixed assets from the YPLA and the Local Authority. In accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2010, total expenditure of £17,584,395 was covered by recurrent grant funding from the YPLA together with other incoming resources generated by both Academies.

The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension reserve) was £521,993. The fixed asset fund excess of expenditure over income for the year was £461,485.

At 31 August 2010 the net book value of fixed assets was £18,268,838; movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

This year has been about further developing our practices and meeting the key curriculum objectives of the Collegiate Academy Trust. In the summer term the first effects of the economic climate were felt in both schools and a number of services, opportunities and ultimately posts were identified to be removed.

The key focus of funding for this year has once again been around the provision of Individualised learning for students, expanding the extended school provision in each academy and improving standards in English and Mathematics. Investments in the building and ICT have been centred on these initiatives and the general well being of students.

Our ability to deliver our Expression of Interest is severely hampered by the lack of major capital development at both campuses. Our prudent minor capital programme has maintained our momentum but requires a major investment in infrastructure as soon as possible if we are to compete with similar Academies serving similar communities. The trustees share a concern about our ability to maintain standards given the lack of movement on the capital programme.

Reserves policy and financial position

Reserves policy

The Collegiate Trustees have reviewed the reserve levels of the Academies in the year. This review encompassed the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Collegiate Trustees have agreed to work towards holding in reserves at least 5% of the General Annual Grant funding for each Academy. This equates to £664,589 based on the current year's results for the Charitable Company. The reserves policy is monitored separately for each academy. This is to ensure there is provision to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

The Academies current level of free reserves (total funds less the amount held in fixed assets and restricted reserves) is £203,251.

Financial position

The Collegiate Academy Trust held balances at 31 August 2010 of £19,326,935, comprising; restricted fixed asset fund of £18,812,819, restricted general fund of £308,228 and £205,888 of unrestricted funds, including a pension reserve deficit of (£1,545,000). £176,211 of the restricted general fund and unrestricted funds are committed within the development process for the next accounting period.

Investment policy

The Collegiate Academy has entered into a service agreement with the LA to provide a treasury management service, this enables the cash position of both Academies to be maximised whilst ensuring the risk is minimal.

PLANS FOR FUTURE PERIODS

The key areas of focus for the next year for the Collegiate Academy Trust are as follows:

- Further develop pedagogy - including New Technologies and APP;
- Tackle issues of in-school variation and across the Academies;
- Raise Standards Pre 16 – Achieve 40% 5+ A* - C including English and Mathematics at Key Stage 4 in 2010 at both Academies;
- Raise Standards Post 16 – Develop greater clarity of Commissioning/Quality Assurance for Post 16 provision;
- Raise Standards in KS3;
- Development of Specialisms – Develop an Arts Strategy across both Academies; and an examination of the second specialisms and their applicability; and
- Extended School Plan – further refinement of the extended school plans from each Academy.

The key focus areas for development at Shireland Collegiate Academy are as follows:

- Meet or exceed the FFT(D)based attainment targets for each cohort KS3 KS4 and KS5;
- Achieve a cohort attendance of at least 92%;
- Reduce the number of fixed term and permanent exclusions from 09/10 levels;
- Raise student attainment through personalised learning programmes for EAL, SEN or G&T students;
- Increase the percentage of lessons judged to be good or better to be above 60%;
- Increase the level of parental involvement particularly through the use of the Family Portal;
- Develop the contribution of Student Voice in teaching and learning;
- Promote the development of independent learning through the use of the Learning Gateway; and
- Embed development of Key Stage 3 strategy into year 8.

The key focus areas for development at George Salter Collegiate Academy are as follows:

- Meet or exceed the FFT(D)based attainment targets for each cohort KS3 KS4 and KS5;
- Achieve a cohort attendance of at least 92%;
- Reduce the number of fixed term and permanent exclusions to one,
- Raise student attainment through personalised learning programmes for EAL, SEN or G&T students;
- Increase the percentage of lessons judged to be good or better to be over 60%;
- Increase the level of parental involvement particularly through the use of the Family Portal;

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2010

- Develop robust systems of /assessment, reporting and recording; and
- Promote the development of independent learning through the use of the Learning Gateway.

These priorities have been agreed both with our Board and with the Academy School Improvement Partner and form the “blueprint” for the individual Academy’s Development Plans.

Auditors

The auditors, Clement Keys will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved by the governors on 15 December 2010 and signed on their behalf by:

P Murray
Chairman

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE COLLEGIATE ACADEMY TRUST**

We have audited the group and parent company financial statements of The Collegiate Academy Trust for the year ended 31 August 2010 which are set out on pages 16 to 48 and which have been prepared under the accounting policies set out therein.

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

Respective responsibilities of trustees and auditors

The Trustees' (who act as trustees for the charitable activities of The Collegiate Academy Trust and are also the directors of the company for the purpose of company law) responsibilities for preparing the Report of the Trustees and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Report of the Trustees is consistent with those financial statements.

In addition we report to you, if in our opinion the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosure of Trustees' remuneration specified by law are not made.

We read other the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE COLLEGIATE ACADEMY TRUST

Opinion

In forming our opinion we have considered the disclosures made in note 10 to the financial statements concerning the non-compliance with the recommendation of the Statement of Recommended Practice – “Accounting and Reporting by Charities” issued in March 2005 in respect of disclosure of remuneration paid to individual trustees. We consider that the absence of this disclosure should be drawn to your attention but our opinion is not qualified in this respect.

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's and group's affairs as at 31 August 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Young People's Learning Agency in respect of the relevant financial year;
- proper accounting records have been kept by the charitable company throughout the financial year;
- grants made by the Young People's Learning Agency have been applied for the purposes intended; and
- the information given in the Report of the Trustees is consistent with the financial statements.

Simon Atkins ACA
Senior Statutory Auditor
for and on behalf of

CLEMENT KEYS
Chartered Accountants
Statutory Auditors

39/40 Calthorpe Road
Birmingham
B15 1TS

15 December 2010

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2010

| | Unrestricted Notes Funds £ | Restricted General Funds £ | Fixed Asset Funds £ | 2010 Total £ | 2009 Total £ |
|---|-------------------------------------|-------------------------------------|---------------------------|--------------------|--------------------|
| Incoming resources | | | | | |
| <i>Incoming resources from generated funds</i> | | | | | |
| Voluntary income | 2 | 96,867 | - | 96,867 | 83,241 |
| Activities for generating funds | 3 | 1,420,727 | 267,005 | 1,687,732 | 1,462,651 |
| Commercial trading operations | 13 | 619,938 | - | 619,938 | 918,900 |
| Investment income | 4 | 9,291 | - | 9,291 | 56,139 |
| <i>Incoming resources from charitable activities</i> | | | | | |
| Funding for the Academy's educational operations | 5 | - | 14,934,864 | 300,811 | 15,235,675 |
| | | 14,934,864 | 300,811 | 15,235,675 | 16,047,297 |
| Total incoming resources | | 2,146,823 | 15,201,869 | 300,811 | 17,649,503 |
| Resources expended | | | | | |
| <i>Cost of generating funds</i> | | | | | |
| Costs of generating voluntary income | 6 | 742,362 | 242,829 | 34,908 | 1,020,099 |
| Commercial trading operations | 13 | 617,793 | - | 617,793 | 782,808 |
| <i>Charitable activities</i> | | | | | |
| Academy's educational operations | 7 | 221,000 | 14,192,580 | 690,481 | 15,104,061 |
| Governance costs | 8 | - | 810,135 | 36,907 | 847,042 |
| | | 221,000 | 14,192,580 | 690,481 | 15,104,061 |
| | | - | 810,135 | 36,907 | 847,042 |
| Total resources expended | | 1,581,155 | 15,245,544 | 762,296 | 17,588,995 |
| Net incoming/(outgoing) resources before transfers | | | | | |
| | | 565,668 | (43,675) | (461,485) | 60,508 |
| Gross transfers between funds | 17 | (543,410) | (78,143) | 621,553 | - |
| | | (543,410) | (78,143) | 621,553 | - |
| Net incoming/(outgoing) resources before other recognised gains and losses | | | | | |
| | | 22,258 | (121,818) | 160,068 | 60,508 |
| Other recognised gains and losses | | | | | |
| Actuarial (losses)/gains on defined benefit pension schemes | | (285,000) | - | - | (285,000) |
| Net movement in funds | 17 | (262,742) | (121,818) | 160,068 | (224,492) |
| Total funds brought forward | | 468,630 | 430,047 | 18,652,750 | 19,551,427 |
| Funds carried forward at 31 August 2010 | | 205,888 | 308,228 | 18,812,819 | 19,551,427 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2010

| | Unrestricted Notes Funds £ | Restricted General Funds £ | Fixed Asset Funds £ | 2010 Total £ | 2009 Total £ |
|---|-------------------------------------|-------------------------------------|---------------------------|--------------------|--------------------|
| Incoming resources | | | | | |
| <i>Incoming resources from generated funds</i> | | | | | |
| Voluntary income | 2 | 96,867 | - | 96,867 | 83,241 |
| Activities for generating funds | 3 | 1,738,425 | 267,005 | 2,005,430 | 2,074,029 |
| Investment income | 4 | 9,291 | - | 9,291 | 55,864 |
| <i>Incoming resources from charitable activities</i> | | | | | |
| Funding for the Academy's educational operations | 5 | - | 14,934,864 | 300,811 | 15,235,675 |
| | | 1,844,583 | 15,201,869 | 300,811 | 17,347,263 |
| Total incoming resources | | | | 17,347,263 | 18,260,431 |
| Resources expended | | | | | |
| <i>Cost of generating funds</i> | | | | | |
| Costs of generating voluntary income | 6 | 1,060,060 | 242,829 | 34,908 | 1,337,797 |
| <i>Charitable activities</i> | | | | | |
| Academy's educational operations | 7 | 221,000 | 14,192,580 | 690,481 | 15,104,061 |
| Governance costs | 8 | - | 810,135 | 36,907 | 847,042 |
| | | 1,281,060 | 15,245,544 | 762,296 | 17,288,900 |
| Total resources expended | | | | 17,288,900 | 18,440,247 |
| Net incoming/(outgoing) resources | | | | | |
| Gross transfers between funds | 17 | 563,523 | (43,675) | (461,485) | 58,363 |
| | | (543,410) | (78,143) | 621,553 | - |
| Net incoming/(outgoing) resources before other recognised gains and losses | | | | | |
| | | 20,113 | (121,818) | 160,068 | 58,363 |
| Other recognised gains and losses | | | | | |
| Actuarial (losses)/gains on defined benefit pension schemes | | (285,000) | - | - | (285,000) |
| | | 17 | (264,887) | (121,818) | 160,068 |
| Net movement in funds | | | | (226,637) | (178,816) |
| Total funds brought forward | | 468,138 | 430,047 | 18,652,750 | 19,550,935 |
| Funds carried forward at 31 August 2010 | | 203,251 | 308,229 | 18,812,818 | 19,324,298 |
| | | 203,251 | 308,229 | 18,812,818 | 19,550,935 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2010

| | Note | 2010 £ | 2009 £ |
|--|------|-------------|-------------|
| Income | | | |
| General Annual Grant (GAG) | 1 | 13,291,780 | 13,779,339 |
| YPLA capital grants | | 300,811 | 402,402 |
| Other YPLA grants | | 1,186,457 | 1,341,070 |
| Other Government grants | | 723,632 | 668,277 |
| Other income from LA | | - | - |
| Private sponsorship and donations | 2 | 96,867 | 83,241 |
| Gift Aid payment from subsidiary | | - | - |
| Interest and other income receivable | 4 | 9,291 | 56,139 |
| Other income | 3 | 1,420,727 | 1,318,860 |
| Trading subsidiary income | | 619,938 | 918,900 |
| | | <hr/> | <hr/> |
| Total income | | 17,649,503 | 18,568,228 |
| Expenditure | | | |
| General Annual Grant (GAG) related expenditure | 1 | 13,203,237 | 13,911,199 |
| Other YPLA grant expenditure | | 1,322,857 | 1,257,462 |
| Other grant expenditure | | 719,449 | 1,054,406 |
| Depreciation | | 762,296 | 730,254 |
| Other expenditure | | 963,362 | 896,382 |
| Trading subsidiary expenditure | | 617,793 | 782,808 |
| | | <hr/> | <hr/> |
| Total expenditure | | 17,588,995 | 18,362,511 |
| | | <hr/> | <hr/> |
| Excess of income over expenditure | | 60,508 | (64,283) |
| | | <hr/> <hr/> | <hr/> <hr/> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 August 2010

| | Note | 2010 £ | 2009 £ |
|---|------|-------------|-------------|
| Excess of income over expenditure | | 60,508 | (64,283) |
| Actuarial (losses)/gains on defined benefit pension schemes | | (285,000) | 1,000 |
| | | <hr/> | <hr/> |
| Total recognised (losses)/gains for the year | | (224,492) | (63,283) |
| | | <hr/> <hr/> | <hr/> <hr/> |
| Net movement to funds | | | |
| Restricted funds | 17 | 38,250 | (618,217) |
| Unrestricted funds | 17 | (262,742) | 554,934 |
| | | <hr/> | <hr/> |
| | | (224,492) | (63,283) |
| | | <hr/> <hr/> | <hr/> <hr/> |

The income and expenditure account and statement of total recognised gains and losses are derived from the statement of financial activities on page 16 which, together with the notes to the financial statements on pages 24 to 48 provides full information on the movements during the year on all the funds of the Academy.

All of the Academy's activities are derived from continuing operations during the above financial periods.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED BALANCE SHEET
as at 31 August 2010
Company Registration No: 06336693

| | | £ | 2010 | £ | 2009 | £ |
|--|----|-------------|------------|-------------|------------|---|
| Note | | | | | | |
| Fixed assets | | | | | | |
| Tangible fixed assets | 12 | 18,268,838 | | 18,306,948 | | |
| | | | 18,268,838 | | 18,306,948 | |
| Current assets | | | | | | |
| Stock | 14 | 43,595 | | 35,609 | | |
| Debtors | 15 | 335,746 | | 702,557 | | |
| Cash on short term deposit | | 2,770,000 | | 3,420,000 | | |
| Cash at bank and in hand | | 852,313 | | 551,915 | | |
| | | | | | | |
| | | 4,001,654 | | 4,710,081 | | |
| Creditors: amounts falling due within one year | 16 | (1,398,557) | | (2,426,602) | | |
| | | | 2,603,097 | | 2,283,479 | |
| Net current assets | | | 2,603,097 | | 2,283,479 | |
| Total assets less current liabilities excluding pension liability | | | 20,871,935 | | 20,590,427 | |
| Pension scheme liability | 22 | (1,545,000) | | (1,039,000) | | |
| | | | 19,326,935 | | 19,551,427 | |
| Net assets including pension liability | | | 19,326,935 | | 19,551,427 | |
| Funds | | | | | | |
| <i>Income funds</i> | | | | | | |
| Restricted funds | | | | | | |
| Fixed asset fund | 17 | 18,812,819 | | 18,652,750 | | |
| General fund | 17 | 308,228 | | 430,047 | | |
| | | | 19,121,047 | | 19,082,797 | |
| Unrestricted funds | | | | | | |
| General fund | 17 | 1,748,251 | | 1,507,138 | | |
| Trading subsidiary | 17 | 2,637 | | 492 | | |
| Pension reserve | 17 | (1,545,000) | | (1,039,000) | | |
| | | | 205,888 | | 468,630 | |
| | | | 19,326,935 | | 19,551,427 | |
| | | | | | | |

The financial statements on pages 16 to 48 were approved by the Governors on 15 December 2010 and signed on their behalf by:

.....
P Murray
Chairman

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY BALANCE SHEET
as at 31 August 2010
Company Registration No: 06336693

| | | | 2010 | | | 2009 |
|--|-------------|-------------|-------------|-------------|-----------|-------------|
| | £ | £ | £ | £ | £ | £ |
| Fixed assets | Note | | | | | |
| Tangible fixed assets | 12 | 18,268,838 | | 18,306,948 | | |
| | | <hr/> | 18,268,838 | <hr/> | | 18,306,948 |
| Current assets | | | | | | |
| Stock | 14 | 43,595 | | 35,609 | | |
| Debtors | 15 | 318,128 | | 399,102 | | |
| Cash on short term deposit | | 2,770,000 | | 3,420,000 | | |
| Cash at bank and in hand | | 815,328 | | 450,337 | | |
| | | <hr/> | | <hr/> | | |
| | | | 3,947,051 | | 4,305,048 | |
| Creditors: amounts falling due within one year | 16 | (1,346,591) | | (2,022,061) | | |
| | | <hr/> | | <hr/> | | |
| Net current assets | | | 2,600,460 | | | 2,282,987 |
| | | | <hr/> | | | <hr/> |
| Total assets less current liabilities excluding pension liability | | | 20,869,298 | | | 20,589,935 |
| Pension scheme liability | 22 | | (1,545,000) | | | (1,039,000) |
| | | | <hr/> | | | <hr/> |
| Net assets including pension liability | | | 19,324,298 | | | 19,550,935 |
| | | | <hr/> <hr/> | | | <hr/> <hr/> |
| Funds | | | | | | |
| <i>Income funds</i> | | | | | | |
| Restricted funds | | | | | | |
| Fixed asset fund | 17 | 18,812,818 | | 18,652,750 | | |
| General fund | 17 | 308,229 | | 430,047 | | |
| | | <hr/> | | <hr/> | | |
| | | | 19,121,047 | | | 19,082,797 |
| Unrestricted funds | | | | | | |
| General fund | 17 | 1,748,251 | | 1,507,138 | | |
| Pension reserve | 17 | (1,545,000) | | (1,039,000) | | |
| | | <hr/> | | <hr/> | | |
| | | | 203,251 | | | 468,138 |
| | | | <hr/> | | | <hr/> |
| | | | 19,324,298 | | | 19,550,935 |
| | | | <hr/> <hr/> | | | <hr/> <hr/> |

The financial statements on pages 16 to 48 were approved by the Governors on 15 December 2010 and signed on their behalf by:

.....
P Murray
Chairman

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED CASHFLOW STATEMENT
for the year ended 31 August 2010

| | £ | 2010 | £ | £ | 2009 | £ |
|---|------------|------|--------------|------------|------|--------------|
| Operating activities | | | | | | |
| Receipts | | | | | | |
| <i>Recurrent grants received from the YPLA</i> | | | | | | |
| General Annual Grant (GAG) | 13,291,780 | | | 13,779,339 | | |
| Other receipts from the YPLA | 1,186,457 | | | 1,341,070 | | |
| Private sponsorship | 96,867 | | | 82,999 | | |
| Other receipts | 2,543,031 | | | 2,689,916 | | |
| | | | 17,118,135 | | | 17,893,324 |
| Payments | | | | | | |
| Staff costs | 11,826,091 | | | 12,544,847 | | |
| Other cash payments | 5,162,969 | | | 3,773,336 | | |
| | | | (16,989,060) | | | (16,318,183) |
| Net cash inflow from operating activities | | | 129,075 | | | 1,575,141 |
| Returns on investments and servicing of finance | | | | | | |
| Interest received | | | 9,291 | | | 59,624 |
| Capital (expenditure)/income | | | | | | |
| Capital grants from YPLA | 280,207 | | | 215,460 | | |
| Other capital grants received from central and local government | 20,604 | | | 186,942 | | |
| Disposal of tangible fixed assets | 170,601 | | | - | | |
| Purchase of tangible fixed assets | (894,788) | | | (783,798) | | |
| | | | (423,376) | | | (381,396) |
| Net trading subsidiary cash inflow | | | (64,593) | | | 32,306 |
| (Decrease)/Increase in cash | | | (349,602) | | | 1,285,675 |
| Reconciliation of net cash flow to movement in net liquid funds: | | | | | | |
| Change in net funds | | | | | | |
| Net funds at 1 September 2009 | | | 3,971,915 | | | 2,686,240 |
| (Decrease)/Increase in cash | | | (349,602) | | | 1,285,675 |
| Net funds at 31 August 2010 | | | 3,622,313 | | | 3,971,915 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED CASHFLOW STATEMENT
for the year ended 31 August 2010

NOTE TO CASHFLOW STATEMENT

1 Analysis of changes in net funds

| | At 1 September 2009 £ | Cash flows £ | At 31 August 2010 £ |
|---------------------------|--|-----------------------------|--|
| Cash in hand and at bank | 551,915 | 300,398 | 852,313 |
| Current asset investments | 3,420,000 | (650,000) | 2,770,000 |
| | 3,971,915 | (349,602) | 3,622,313 |
| | 3,971,915 | (349,602) | 3,622,313 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PRINCIPAL ACCOUNTING POLICIES
31 August 2010

Format of financial statements

The standard format for the financial statements as required by the Companies Act 2006 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (issued in March 2005) ("Charities SORP 2005") and reflects the activities of the Academy.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and the Charities SORP 2005 except that, as explained in note 10, individual emoluments paid to governors have not been disclosed.

Basis of consolidation

The group financial statements include those of the charitable company and the company's trading subsidiary, Shireland Learning Limited. The statutory year end of Shireland Learning Limited is 31 August 2010.

Incoming resources

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

Deferred income

Donations and grants that provide core funding or are of a general nature is only deferred when the donor specifies that the income must only be used in future accounting periods.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PRINCIPAL ACCOUNTING POLICIES
31 August 2010

Resources expended

Resources expended are recognised in the period in which they are incurred and include any irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

Allocation of costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

Governance costs

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

Funding accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the governors.

Restricted funds comprise grants from the YPLA and other donors which are to be used for specific purposes as explained in Note 17.

Tangible fixed assets

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost.

Where tangible fixed assets have been acquired with specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Assets costing less than £1,000 are written off in the year of acquisition. All other assets are capitalised.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

| | |
|---------------------------------|----------|
| Short leasehold property | 2% |
| Furniture and equipment | 10 - 15% |
| Computer equipment and software | 20 – 33% |
| Motor vehicles | 20% |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PRINCIPAL ACCOUNTING POLICIES
31 August 2010

Investments

The Academy's holding in its wholly owned subsidiary, Shireland Learning Limited is included in the balance sheet at nil cost as the company is a company limited by guarantee. The Collegiate Academy Trust is the sole member of Shireland Learning Limited.

Stock

Unused stationery and catering stores are valued at the lower of cost or net realisable value.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Taxation

The Academy is a registered charity and as such is exempt from income tax and corporation tax under the provisions of the Income and Corporation Taxes Act 1988.

The cost of any irrecoverable VAT incurred by the Academy has been included in the statement of financial activities.

Pensions

Academy staff are members of one of three pension schemes, two of which are defined benefit schemes and one is a defined contribution scheme.

Defined Benefit Schemes

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme ("TPS"). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Children, Families and Schools. As the Academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the Academy has taken advantage of the exemption in Financial Reporting Standard ("FRS") number 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the Academy in the year.

Local Government Pension Scheme

Non teaching members of staff are offered membership of the Local Government Scheme ("LGPS"). The LGPS is a defined benefit pension scheme and is able to identify the Academy's share of assets and liabilities and the requirements of FRS 17, Retirement Benefits, have been followed.

The Academy's share of the LGPS assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

1 GENERAL ANNUAL GRANT (GAG)

| | Shireland Collegiate Academy £ | George Salter Collegiate Academy £ | Total 2010 £ | Total 2009 £ |
|---|---|---|-----------------------------|-----------------------------|
| Results and carry forward for the year | | | | |
| GAG brought forward from previous year | 125,517 | - | 125,517 | 113,362 |
| GAG allocation for current year | 7,951,008 | 5,340,772 | 13,291,780 | 13,779,339 |
| <hr/> | | | | |
| Total GAG available to spend | 8,076,525 | 5,340,772 | 13,417,297 | 13,892,701 |
| Recurrent expenditure from GAG | (7,663,171) | (5,540,066) | (13,203,237) | (13,911,199) |
| Fixed assets purchased from GAG | (300,000) | - | (300,000) | - |
| Transfer of unrestricted funds | - | 199,294 | 199,294 | 144,015 |
| <hr/> | | | | |
| GAG carried forward to next year | 113,353 | - | 113,353 | 125,517 |
| Maximum permitted GAG carry forward at end of current year (12% of allocation for current year) | (954,121) | (640,893) | (1,595,014) | (1,653,521) |
| <hr/> | | | | |
| GAG to surrender to YPLA (12% rule breached if result is positive) | (840,768) | (640,893) | (1,481,661) | (1,528,003) |
| <hr/> | | | | |

Use of GAG brought forward from previous year for recurrent purposes

(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12% can only be used for capital purposes)

| | | | | |
|---|-------------|-------------|--------------|--------------|
| Recurrent expenditure from GAG in current year – See above | 7,663,171 | 5,540,066 | 13,203,237 | 13,911,199 |
| GAG allocation for current year | (7,951,008) | (5,340,772) | (13,291,780) | (13,779,339) |
| GAG allocation for previous year x 2% | (168,622) | (106,965) | (232,332) | (304,916) |
| Transfer of unrestricted funds | - | (199,294) | (199,294) | (144,015) |
| <hr/> | | | | |
| GAG brought forward from previous year in excess of 2%, used on recurrent expenditure in current year (2% rule breached if result is positive) | (456,459) | (106,965) | (563,424) | (317,071) |
| <hr/> | | | | |

Included within the GAG allocation for the current year of £13,291,780 is an adjustment relating to a claw back of grants of £271,047 relating to student numbers.

George Salter Collegiate Academy has expended more on GAG related functions than the annual funding allocated by the DCSF which has been covered by a transfer of funding from unrestricted funds.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

| | | | |
|----------|---|------------------|------------------|
| 2 | VOLUNTARY INCOME GROUP AND COMPANY | 2010 £ | 2009 £ |
| | Curriculum income | 96,867 | 74,570 |
| | Miscellaneous donations | - | 8,671 |
| | | 96,867 | 83,241 |
| | | 96,867 | 83,241 |

3 ACTIVITIES FOR GENERATING FUNDS

| | Group | | Company | |
|--------------------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| | Unrestricted 2010 £ | Restricted 2010 £ | Unrestricted 2010 £ | Restricted 2010 £ |
| Raising Achievement Muslim Boys | - | 10,000 | - | 10,000 |
| Aim Higher | - | 8,481 | - | 8,481 |
| Standard Fund | - | 6,650 | - | 6,650 |
| Cape Hill Co-operative | - | 79,515 | - | 79,515 |
| Comenius – Grant Income | - | 15,271 | - | 15,271 |
| Creative Partnership | - | 9,000 | - | 9,000 |
| Disadvantage Fund | - | 95,100 | - | 95,100 |
| City Gates Income | - | 8,400 | - | 8,400 |
| Sports Peripheries | - | 27,188 | - | 27,188 |
| British Council Yemen | - | 2,400 | - | 2,400 |
| Extended Play | - | 5,000 | - | 5,000 |
| Shireland Learning Limited recharged | - | - | 317,698 | - |
| E-learning activities | 4,600 | - | 4,600 | - |
| FAC finance | 131,710 | - | 131,710 | - |
| Nursery | 318,657 | - | 318,657 | - |
| Payments from other schools | 53,599 | - | 53,599 | - |
| Catering | 206,138 | - | 206,138 | - |
| Hire of Hall/Rooms | 15,024 | - | 15,024 | - |
| PMFL income | 171,754 | - | 171,754 | - |
| Community Activities extended | 83,758 | - | 83,758 | - |
| Technicians | 44,761 | - | 44,761 | - |
| CLC Income | 51,708 | - | 51,708 | - |
| Teacher Training Agency | 50,935 | - | 50,935 | - |
| Human Resources | 87,857 | - | 87,857 | - |
| Co-operative income | 25,505 | - | 25,505 | - |
| Contribution to visits | 46,792 | - | 46,792 | - |
| Community Language Administration | 23,284 | - | 23,284 | - |
| Other Activities | 104,646 | - | 104,646 | - |
| | 1,420,727 | 267,005 | 1,738,425 | 267,005 |
| | 1,420,727 | 267,005 | 1,738,425 | 267,005 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

3 ACTIVITIES FOR GENERATING FUNDS - continued

| | Group | | Company | |
|--------------------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| | Unrestricted 2009 £ | Restricted 2009 £ | Unrestricted 2009 £ | Restricted 2009 £ |
| Raising Achievement Muslim Boys | - | 10,000 | - | 10,000 |
| Aim Higher | - | 13,463 | - | 13,463 |
| Sure Start Nursery | - | 19,907 | - | 19,907 |
| Cape Hill Co-operative | - | 35,950 | - | 35,950 |
| Comenius – Grant Income | - | 11,618 | - | 11,618 |
| Creative Partnership | - | 24,002 | - | 24,002 |
| School Travel Plan | - | 23,651 | - | 23,651 |
| City Gates Income | - | 5,200 | - | 5,200 |
| Shireland Learning Limited recharged | - | - | 611,378 | - |
| FAC finance | 55,541 | - | 55,541 | - |
| Nursery | 191,837 | - | 191,837 | - |
| Payments from other schools | 45,645 | - | 45,645 | - |
| Catering | 197,172 | - | 191,172 | - |
| Hire of Hall/Rooms | 80,630 | - | 80,630 | - |
| PMFL income | 118,087 | - | 118,087 | - |
| Community Activities extended | 105,861 | - | 105,861 | - |
| Technicians | 59,403 | - | 59,403 | - |
| Active Lifestyles | 46,339 | - | 46,339 | - |
| Teacher Training Agency | 65,737 | - | 65,737 | - |
| Human Resources | 44,696 | - | 44,696 | - |
| Co-operative income | 56,505 | - | 56,305 | - |
| Contribution to visits | 68,116 | - | 68,116 | - |
| Community Language Administration | 50,106 | - | 50,106 | - |
| Other Activities | 132,785 | - | 132,785 | - |
| | <u>1,318,860</u> | <u>143,791</u> | <u>1,930,238</u> | <u>143,791</u> |

**4 INVESTMENT INCOME
GROUP AND COMPANY**

| | 2010 Group £ | 2010 Company £ | 2009 Group £ | 2009 Company £ |
|--------------------------|--------------------|----------------------|--------------------|----------------------|
| Bank interest receivable | 9,291 | 9,291 | 56,139 | 55,864 |
| | <u>9,291</u> | <u>9,291</u> | <u>56,139</u> | <u>55,864</u> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

5 FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS GROUP AND COMPANY

| | Shireland Collegiate Academy £ | George Salter Collegiate Academy £ | Total 2010 £ | Total 2009 £ |
|--|---|---|-----------------------------|-----------------------------|
| <i>Young People's Learning Agency</i> | | | | |
| General Annual Grant (GAG) (Note 1) | 7,951,008 | 5,340,772 | 13,291,780 | 13,779,339 |
| Other YPLA grants | 721,692 | 464,765 | 1,186,457 | 1,341,070 |
| Capital grants | <u>173,986</u> | <u>126,825</u> | <u>300,811</u> | <u>402,402</u> |
| | <u>8,846,686</u> | <u>5,932,362</u> | <u>14,779,048</u> | <u>15,522,811</u> |
| <i>Other funding from LA</i> | | | | |
| High cost pupils | 244,071 | 212,556 | 456,627 | 524,486 |
| | <u>244,071</u> | <u>212,556</u> | <u>456,627</u> | <u>524,486</u> |
| | <u>9,090,757</u> | <u>6,144,918</u> | <u>15,235,675</u> | <u>16,047,297</u> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

6 RESOURCES EXPENDED

| GROUP | Staff costs £ | Depreciation £ | Other costs £ | 2010 Total £ | 2009 Total £ |
|---|--------------------------|---------------------------|--------------------------|-----------------------------|-----------------------------|
| Costs of generating voluntary income | 488,080 | 34,908 | 497,110 | 1,020,099 | 766,881 |
| Academy's educational operations | 9,133,950 | 561,062 | 1,637,333 | 11,332,345 | 11,613,321 |
| Direct costs allocated support costs (Note 7) | 1,584,326 | 129,419 | 2,057,971 | 3,771,716 | 4,747,703 |
| | 10,718,276 | 690,481 | 3,695,304 | 15,104,061 | 16,361,024 |
| Governance costs including allocated support costs (Note 8) | 600,941 | 36,907 | 209,194 | 847,042 | 721,798 |
| | 11,807,298 | 762,296 | 4,401,609 | 16,971,202 | 17,849,703 |
| | <u>11,807,298</u> | <u>762,296</u> | <u>4,401,609</u> | <u>16,971,202</u> | <u>17,849,703</u> |
| COMPANY | Staff costs £ | Depreciation £ | Other costs £ | 2010 Total £ | 2009 Total £ |
| Costs of generating voluntary income | 805,778 | 34,908 | 497,110 | 1,337,797 | 1,357,425 |
| Academy's educational operations | 9,133,950 | 561,062 | 1,637,333 | 11,332,345 | 11,613,321 |
| Direct costs allocated support costs (Note 7) | 1,584,326 | 129,419 | 2,057,971 | 3,771,716 | 4,747,703 |
| | 10,718,276 | 690,481 | 3,695,304 | 15,104,061 | 16,361,024 |
| Governance costs including allocated support costs (Note 8) | 600,941 | 36,907 | 209,194 | 847,042 | 721,798 |
| | 12,124,996 | 762,296 | 4,401,609 | 17,288,900 | 18,440,247 |
| | <u>12,124,996</u> | <u>762,296</u> | <u>4,401,609</u> | <u>17,288,900</u> | <u>18,440,247</u> |

The method used for the apportionment of support costs is disclosed in the accounting policies on page 25.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

7 CHARITABLE ACTIVITIES – ACADEMY’S EDUCATION OPERATIONS

| GROUP AND COMPANY | 2010 | 2009 |
|--|-------------|-------------|
| | £ | £ |
| Direct costs | | |
| Teaching and education support staff costs | 9,133,950 | 9,450,331 |
| Depreciation | 561,062 | 558,259 |
| Books, apparatus and stationery | 688,831 | 411,552 |
| Examination fees | 315,032 | 257,930 |
| Staff development | 218,490 | 148,923 |
| Educational consultancy | 245,158 | 198,716 |
| Other direct costs | 169,822 | 587,610 |
| | <hr/> | <hr/> |
| | 11,332,345 | 11,613,321 |
| | <hr/> | <hr/> |
| Allocated support costs | | |
| Support staff costs | 1,584,326 | 1,812,465 |
| Depreciation | 129,419 | 115,155 |
| Pupil recruitment and support | 55,155 | 142,469 |
| Maintenance of premises and equipment | 275,461 | 432,690 |
| Cleaning | 57,250 | 60,726 |
| Rent and rates | 141,448 | 72,284 |
| Heat and light | 351,793 | 330,786 |
| Insurance | 89,514 | 80,357 |
| Security | 88,777 | 96,344 |
| Transport | 111,274 | 144,516 |
| Catering | 257,718 | 260,368 |
| Technology costs | 187,115 | 257,385 |
| Bank interest and charges | 8,140 | 2,512 |
| Other support costs | 434,325 | 939,646 |
| | <hr/> | <hr/> |
| | 3,771,716 | 4,747,703 |
| | <hr/> | <hr/> |
| | 15,104,061 | 16,361,024 |
| | <hr/> <hr/> | <hr/> <hr/> |

| 8 GOVERNANCE COSTS | | |
|--------------------------------|-------------|-------------|
| GROUP AND COMPANY | 2010 | 2009 |
| | £ | £ |
| Support costs | 757,989 | 580,771 |
| Legal and professional fees | 32,156 | 93,441 |
| Audit fees | 14,000 | 13,900 |
| Other accountancy services | 5,177 | 7,452 |
| Governors’ reimbursed expenses | 813 | 1,636 |
| Depreciation | 36,907 | 24,598 |
| | <hr/> | <hr/> |
| | 847,042 | 721,798 |
| | <hr/> <hr/> | <hr/> <hr/> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

9 STAFF COSTS

The average number of persons (including members of the senior management team) employed by the Academy during the year ended 31 August 2010, expressed as fulltime equivalents, was as follows:

| | 2010 | 2009 |
|-------------------------------------|-------------|-------------|
| | No. | No. |
| <i>Charitable activities</i> | | |
| Teachers | 173 | 162 |
| Administration and support | 163 | 158 |
| Management | 6 | 7 |
| | — | — |
| | 342 | 327 |
| Governance activities | 3 | 3 |
| | — | — |
| Total | 345 | 330 |
| | ===== | ===== |

| Staff costs comprise: | 2010 | 2009 |
|------------------------------|-------------|-------------|
| | £ | £ |
| Wages and salaries | 9,785,658 | 10,107,601 |
| Social security costs | 733,574 | 746,952 |
| Other pension costs | 1,127,981 | 1,385,720 |
| | — | — |
| | 11,647,212 | 12,240,273 |
| | ===== | ===== |

5 employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the year ended 31 August 2010. The total emoluments of these employees were in the following ranges:

| | 2010 | 2009 |
|---------------------|-------------|-------------|
| | No | No |
| £60,001 - £70,000 | 3 | 4 |
| £70,001 - £80,000 | - | - |
| £80,001 - £90,000 | 1 | 2 |
| £140,001 - £150,000 | 1 | 1 |
| | — | — |
| | ===== | ===== |

All of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2010, pension contributions for these staff amounted to £63,854.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

10 TRUSTEES' REMUNERATION AND EXPENSES

The Memorandum and Articles of Association permits the payment of remuneration and out of pocket expenses to trustees provided that:

- The remuneration or other sums paid to the trustee do not exceed an amount that is reasonable in all the circumstances.
- The trustee is absent from the part of any meeting at which there is discussion of;
 - his or her employment or remuneration, or any matter concerning the contract; or
 - his or her performance in the employment, or his or her performance of the contract; or
 - any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under the clauses of the Memorandum and Article of Association; or
 - any other matter relating to a payment or the conferring of any benefit permitted under the clauses of the Memorandum and Article of Association.
- The trustee does not vote on any such matter and is not to be counts when calculating whether a quorum of trustees is present at the meeting.
- The other trustees are satisfied that it is in the best interests of the charitable company to employ or contract with that trustee rather than with someone who is not a trustee. In reaching that decision the trustees must balance the advantage of employing a trustee against the disadvantages of doing so (especially the loss of the trustee's services as a result of dealing with the trustee's conflict of interest).
- The reason for their decision is recorded by the trustees in the minute book.
- A majority of the trustees in office have received no such payments.

The trustees of the Academy did not receive any remuneration in respect of their services as a trustee during the year.

The Executive Principal received remuneration during the year in respect of his role as Executive Principal of the Academy. This salary is covered by the declaration in note 9. Retirement benefits were also accruing to the Executive Principal in respect of a multi-employer defined benefit pension scheme.

Paragraph 230 of Charities SORP 2005 requires that details of remuneration paid to trustees be disclosed on an individual basis. This disclosure has not been included as the trustees believe that the information is of a sensitive nature.

Interests in transactions

During the year two trustees received reimbursements of £813 (2009: £1,636 one trustee) for travel and subsistence.

Ormiston Education Limited, a subsidiary company of Ormiston Trust Limited who is the main sponsor of Shireland Collegiate Academy, received £66,163 (2009: £114,648) for a variety of consultancy and governance services.

11 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 for any one claim and the premium for the year ended 31 August 2010 was £1,978.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

12 TANGIBLE FIXED ASSETS

| GROUP | Leasehold land and buildings £ | Furniture and equipment £ | Computer software £ | Motor vehicles £ | Total £ |
|--------------------------|---|--|------------------------------------|---------------------------------|--------------------|
| Cost | | | | | |
| At 1 September 2009 | 17,924,915 | 318,404 | 1,401,356 | 27,126 | 19,671,801 |
| Additions | 236,111 | 117,903 | 540,773 | - | 894,788 |
| Disposals | - | (1,190) | (214,950) | - | (216,140) |
| At 31 August 2010 | 18,161,026 | 435,117 | 1,727,179 | 27,126 | 20,350,448 |
| Depreciation | | | | | |
| At 1 September 2009 | 642,943 | 115,819 | 600,666 | 5,425 | 1,364,853 |
| Charge in the year | 328,975 | 67,067 | 453,453 | 5,425 | 854,920 |
| On disposals | - | (762) | (137,401) | - | (138,163) |
| At 31 August 2010 | 971,918 | 182,124 | 916,718 | 10,850 | 2,081,610 |
| Net book value | | | | | |
| At 31 August 2010 | 17,189,108 | 252,993 | 810,460 | 16,276 | 18,268,838 |
| At 31 August 2009 | 17,281,972 | 202,585 | 800,690 | 21,701 | 18,306,948 |

Included within the net book value of Leasehold Land and Buildings is land not depreciated of £1,712,275 (2009: £1,712,275).

Certain assets were donated to the charitable company by the Local Authority on 1 September 2007. These leasehold land and buildings have been donated initially on an 8 year lease, increasing to a 100 year lease on the satisfactory completion of certain milestones. The value of buildings donated by the LA is based on the values held within the books of Sandwell MBC prior to their transfer. Sandwell MBC adopted a policy of revaluation on a 5 year rolling basis. The latest full valuation was undertaken in the financial year to 31 March 2007 and the donated assets are included at their depreciated revalued amount as at 1 September 2007. It is the intention of the governors to retain this valuation in the financial statements and not to adopt a policy of ongoing revaluation.

The net book value at 31 August 2010 represents fixed assets used for:

| | Leasehold land and buildings £ | Furniture and equipment £ | Computer software £ | Motor vehicles £ | Total £ |
|-----------------------|---|--|------------------------------------|---------------------------------|--------------------|
| Educational provision | 12,719,940 | 147,026 | 645,326 | 12,044 | 13,524,337 |
| Support services | 2,062,693 | 100,021 | 104,102 | 1,953 | 2,268,769 |
| Governance | 1,031,347 | 5,862 | 48,513 | 977 | 1,086,698 |
| Generating funds | 1,375,129 | 84 | 12,518 | 1,302 | 1,389,033 |
| | 17,189,108 | 252,993 | 810,460 | 16,276 | 18,268,838 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

12 TANGIBLE FIXED ASSETS – continued

| COMPANY | Leasehold land and buildings £ | Furniture and equipment £ | Computer software £ | Motor vehicles £ | Total £ |
|--------------------------|---|--|------------------------------------|---------------------------------|--------------------|
| Cost | | | | | |
| At 1 September 2009 | 17,924,915 | 310,259 | 1,401,356 | 27,126 | 19,663,656 |
| Additions | 236,111 | 117,903 | 540,773 | - | 894,788 |
| Disposals | - | (1,190) | (214,950) | - | (216,140) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 August 2010 | 18,161,026 | 426,972 | 1,727,179 | 27,126 | 20,342,303 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | | |
| At 1 September 2009 | 642,943 | 107,674 | 600,666 | 5,425 | 1,356,708 |
| Charge in the year | 328,975 | 67,067 | 453,453 | 5,425 | 854,920 |
| On disposals | - | (762) | (137,401) | - | (138,163) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 August 2010 | 971,918 | 173,979 | 916,719 | 10,850 | 2,073,466 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value | | | | | |
| At 31 August 2010 | 17,189,108 | 252,993 | 810,460 | 16,276 | 18,268,838 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| At 31 August 2009 | 17,281,972 | 202,585 | 800,690 | 21,707 | 18,306,948 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Included within the net book value of Leasehold Land and Buildings is land not depreciated of £1,712,275 (2009: £1,712,275).

Certain assets were donated to the charitable company by the Local Authority on 1 September 2007. These leasehold land and buildings have been donated initially on an 8 year lease, increasing to a 100 year lease on the satisfactory completion of certain milestones. The value of buildings donated by the LA was based on the values held within the books of Sandwell MBC prior to their transfer. Sandwell MBC adopted a policy of revaluation on a 5 year rolling basis. The latest full valuation was undertaken in the financial year to 31 March 2007 and the donated assets are included at their depreciated revalued amount as at 1 September 2007. It is the intention of the governors to retain this valuation in the financial statements and not to adopt a policy of ongoing revaluation.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

12 TANGIBLE FIXED ASSETS – continued

| Source of funding for assets acquired (cumulative to date) | 2010 | 2009 |
|---|-------------|-------------|
| | £ | £ |
| YPLA capital grants | 511,075 | 230,868 |
| General Annual Grant | 862,769 | 727,453 |
| Other government grants | 264,731 | 244,127 |
| Private sector capital sponsorship – donated from LA | 18,366,596 | 18,389,406 |
| Other funds (non grant income) | 337,131 | 71,802 |
| Other funds (Trading subsidiary) | - | 8,145 |
| | <hr/> | <hr/> |
| Cost of fixed assets at 31 August 2010 | 20,342,302 | 19,671,801 |
| Less: accumulated depreciation | 2,073,466 | 1,364,853 |
| | <hr/> | <hr/> |
| Net book value of fixed assets at 31 August 2010 | 18,268,836 | 18,306,948 |
| | <hr/> <hr/> | <hr/> <hr/> |

13 INVESTMENTS

| | 2010 | 2009 |
|---|-------------|-------------|
| | £ | £ |
| Investment in wholly owned subsidiary at cost | - | - |
| | <hr/> | <hr/> |

Shireland Collegiate Academy is the sole member of Shireland Learning Limited (“SLL”) a company limited by guarantee. SLL is a company incorporated in England (registration 6052021). The principal activity of SLL is providing an on line learning environment.

A summary of the results and the balance sheet position of SLL for the year ended 31 August 2010 (the most recently available audited accounts) is shown below:

Profit and loss account

| | Year ended | Period ended |
|---|-------------------|---------------------|
| | 31 August | 31 August |
| | 2010 | 2009 |
| | £ | £ |
| Turnover | 619,938 | 1,142,962 |
| Cost of sales | (382,721) | (851,151) |
| Administrative expenses | (234,938) | (379,425) |
| Interest receivable | - | 275 |
| | <hr/> | <hr/> |
| Profit/(loss) on ordinary activities | 2,279 | (87,339) |
| | <hr/> | <hr/> |
| Profit/(loss) on ordinary activities | 2,279 | (87,339) |
| Tax on profit/(loss) on ordinary activities | (134) | 15,738 |
| | <hr/> | <hr/> |
| Profit/(loss) for the period | 2,145 | (71,601) |
| | <hr/> <hr/> | <hr/> <hr/> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

| | | | |
|-----------|--------------------------------|---------------------------------|---------------------------------|
| 13 | INVESTMENTS – continued | 31 August 2010 £ | 31 August 2009 £ |
| | Balance sheet | | |
| | Fixed assets | - | - |
| | Current assets | 112,860 | 511,060 |
| | Current liabilities | (110,222) | (510,568) |
| | | <hr/> | <hr/> |
| | | 2,638 | 492 |
| | | <hr/> | <hr/> |
| | Represented by | | |
| | Profit and loss account | 2,638 | 492 |
| | | <hr/> | <hr/> |
| | Members' funds | 2,638 | 492 |
| | | <hr/> | <hr/> |

The audit reports for the year ended 31 August 2010 and period ended 31 August 2009 were both unqualified.

| | | | | | |
|-----------|--|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| 14 | STOCK | 2010 Group £ | 2010 Company £ | 2009 Group £ | 2009 Company £ |
| | ICT consumables | 23,443 | 23,443 | 19,693 | 19,693 |
| | Stationery | 15,567 | 15,567 | 9,544 | 9,544 |
| | Catering | 4,585 | 4,585 | 6,372 | 6,372 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 43,595 | 43,595 | 35,609 | 35,609 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| 15 | DEBTORS | 2010 Group £ | 2010 Company £ | 2009 Group £ | 2009 Company £ |
| | Trade debtors | 184,298 | 161,039 | 534,481 | 203,850 |
| | Prepayments | 98,832 | 98,832 | 168,076 | 89,225 |
| | Sundry debtors | 52,616 | - | - | 42 |
| | Amount due from subsidiary undertaking | - | 58,257 | - | 105,985 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 335,746 | 318,128 | 702,557 | 399,102 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

| | | | | | |
|-----------|---|--------------|----------------|--------------|----------------|
| 16 | CREDITORS: Amounts falling due within one year | 2010 | 2010 | 2009 | 2009 |
| | | Group | Company | Group | Company |
| | | £ | £ | £ | £ |
| | Trade creditors | 339,446 | 287,831 | 315,179 | 263,532 |
| | Taxation and social security | 248,677 | 248,677 | 267,323 | 267,323 |
| | Other creditors | 143,448 | 143,097 | 554,020 | 201,125 |
| | Accruals and deferred income | 666,986 | 666,986 | 1,290,081 | 1,290,081 |
| | Amount due to subsidiary undertaking | - | - | - | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| | | 1,398,557 | 1,346,591 | 2,426,602 | 2,022,061 |
| | | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

17 RESTRICTED FUNDS

The income funds of the Academy comprise the following balances of grants to be applied for specific purposes:

| | Balance at | | | | Balance at |
|---------------------------------|--------------------|------------------|------------------|-----------------------|-------------------|
| | 1 September | Incoming | Resources | Gains/(losses) | 31 August |
| | 2009 | resources | expended | and transfers | 2010 |
| | £ | £ | £ | £ | £ |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 125,517 | 13,291,780 | 13,203,237 | (100,707) | 113,353 |
| YPLA other grants | 240,000 | 1,186,457 | 1,322,857 | - | 103,600 |
| LA grants | | | | | |
| - High cost pupils | 19,994 | 456,627 | 476,621 | - | - |
| Standard Fund | - | 6,650 | 1,000 | - | 5,650 |
| Raising achievement Muslim boys | 10,769 | 10,000 | 7,311 | 5,218 | 18,676 |
| Aim higher | 2,588 | 8,481 | 16,278 | 5,209 | - |
| City gates income | 3,966 | 8,400 | 6,263 | - | 6,103 |
| School travel plan | 11,185 | - | 10,385 | - | 800 |
| Comenius – grant income | 10,324 | 15,271 | 9,601 | - | 15,994 |
| Creative partnership | 14 | 9,000 | 8,104 | 5,000 | 5,910 |
| Sure Start Nursery | 5,690 | - | 380 | - | 5,310 |
| Co-op – Cape Hill | - | 79,515 | 58,628 | - | 20,887 |
| Disadvantage Fund | - | 95,100 | 91,462 | - | 3,638 |
| Sport Peripheries | - | 27,188 | 27,188 | - | - |
| Extended Play | - | 5,000 | 2,276 | - | 2,724 |
| British Council Yemen | - | 2,400 | 2,400 | - | - |
| Trail Blazer | - | - | 1,553 | 7,136 | 5,583 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 430,047 | 15,201,869 | 15,245,544 | (78,143) | 308,228 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

17 RESTRICTED FUNDS - continued

| | Balance at 1 September 2009 £ | Incoming resources £ | Resources expended £ | Gains/(losses) and transfers £ | Balance at 31 August 2010 £ |
|---------------------------------------|--|----------------------------|----------------------------|--------------------------------------|--------------------------------------|
| Restricted fixed asset funds | | | | | |
| YPLA capital grants | 479,601 | 300,811 | - | - | 780,412 |
| Capital expenditure from GAG | 649,411 | - | 387,142 | 405,393 | 667,662 |
| Private sector capital sponsorship | 17,523,738 | - | 375,154 | 216,160 | 17,364,744 |
| | <u>18,652,750</u> | <u>300,811</u> | <u>762,296</u> | <u>621,553</u> | <u>18,812,819</u> |
| Unrestricted general funds | | | | | |
| General funds | 1,507,138 | 1,526,885 | 742,362 | (543,410) | 1,748,251 |
| Trading subsidiary | 492 | 619,938 | 617,793 | - | 2,637 |
| Pension reserve | (1,039,000) | - | 221,000 | (285,000) | (1,545,000) |
| | <u>468,630</u> | <u>2,146,823</u> | <u>1,581,155</u> | <u>(828,410)</u> | <u>205,888</u> |
| Total funds | <u>19,551,427</u> | <u>17,649,503</u> | <u>17,588,995</u> | <u>(285,000)</u> | <u>19,326,935</u> |

- (i) General Annual Grant must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG. Of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes;
- (ii) The gross transfer from the restricted general fund to the restricted fixed asset fund of £100,707 represents unrestricted fund spent on General Annual Grant (GAG) expenditure during the year;
- (iii) Restricted fixed assets were funded by government grants or sponsors;
- (iv) High Cost Pupils funding is to support identified students with additional educational needs;
- (v) Raising Achievement Muslim boys is to support the engagement of Muslim boys;
- (vi) Aim higher is funding directed to help the more gifted and able students;
- (vii) City Gates is funded of identified talented students to further their skills;
- (viii) School Travel Plan, funding to improve travel to school and raise awareness;
- (ix) Comenius funding is to work with schools abroad and offer a breadth of language experience to our students;

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

- (x) Creative Partnership - To fund a film project at Shireland;
- (xi) Sure Start Nursery - Funding to invest in the sustainability of the Nursery based at Shireland;
- (xii) Co-op Cape Hill – Funding to work with primary schools and community centres to develop a sustainable community working model.
- (xiii) Disadvantage fund - Funding to provide new opportunities for families claiming free meals.
- (xiv) Sport Peripheries - A specific grant to purchase sports equipment.
- (xv) Extended Play - To purchase equipment to provide extended school facilities for students.
- (xvi) British Council Yemen - To support work with Yemeni students.
- (xvii) Trail Blazer – Too support community activities.

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2010 are represented by:

| | Unrestricted funds £ | Restricted General funds £ | Restricted fixed asset funds £ | Trading subsidiary reserves £ | Total £ |
|--------------------------|-------------------------------------|---|---|--|--------------------|
| Tangible fixed assets | - | - | 18,268,838 | - | 18,268,838 |
| Current assets | 1,971,824 | 1,372,988 | 543,982 | 112,860 | 4,001,654 |
| Current liabilities | (223,574) | (1,064,760) | - | (110,223) | (1,398,557) |
| Pension scheme liability | (1,545,000) | - | - | - | (1,545,000) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 203,251 | 308,228 | 18,812,819 | 2,637 | 19,326,935 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Fund balances at 31 August 2009 are represented by:

| | Unrestricted funds £ | Restricted General funds £ | Restricted fixed asset funds £ | Trading subsidiary reserves £ | Total £ |
|--------------------------|-------------------------------------|---|---|--|--------------------|
| Tangible fixed assets | - | - | 18,306,948 | - | 18,306,948 |
| Current assets | 3,423,172 | 430,047 | 345,802 | 511,060 | 4,710,081 |
| Current liabilities | (1,916,034) | - | - | (510,568) | (2,426,602) |
| Pension scheme liability | (1,039,000) | - | - | - | (1,039,000) |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 468,138 | 430,047 | 18,652,750 | 492 | 19,551,427 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

| | | | |
|-----------|---|-------------------|-------------------|
| 19 | CAPITAL COMMITMENTS | 2010 | 2009 |
| | | £ | £ |
| | Authorised by governors, but not yet contracted | - | - |
| | | <u> </u> | <u> </u> |

The above capital commitments will be met from capital grants to be received in future years.

20 LEASE COMMITMENTS

At 31 August 2010 the Academy had annual commitments under non-cancellable operating leases as follows:

| | | |
|---------------------------------------|-------------------|-------------------|
| | 2010 | 2009 |
| Operating leases which expire: | £ | £ |
| Within one year | 41,764 | 38,872 |
| Within two to five years | 26,332 | 34,283 |
| Over five years | - | - |
| | <u> </u> | <u> </u> |

21 CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets were met by payments by the Secretary of State under the Funding Agreement.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

22 PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes; the Teachers' Pension Scheme England and Wales ("TPS") for academic and related staff and the West Midlands Pension Fund ("WMPF") for non-teaching staff, which is managed by Sandwell MBC.

The total pension cost to the Academy during the year ended 31 August 2010 was £1,127,980 (2009: £1,385,720) of which £888,398 (2009 - £889,950) relates to the TPS and £239,582 (2009: £495,770) relates to WMPF.

Teachers Pension Scheme (TPS)

Under the definitions set out in Financial Reporting Standard number 17, Retirement Benefits, the TPS scheme is classed as a multi-employer pension scheme. The Academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out below the latest information available for the scheme.

The TPS is a statutory, contributory, final salary scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local education authorities and also to teachers in many independent and voluntary-aided schools and establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

Although teachers are employed by LA's and various other bodies, their retirement and other superannuation benefits, including annual increases payable under the Pensions (Increase) Acts, are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the TPS, which is an unfunded scheme, teachers' contributions, on a 'pay-as-you-go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pension increases). With effect from 1 April 2001, the Account will be credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Not less than every five years, the Government Actuary ("GA"), using normal actuarial principles, conducts an actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

22 PENSION COMMITMENTS – continued

Teachers Pension Scheme (TPS) – continued

Contributions are assessed in two parts. First, a standard contribution rate (“SCR”) is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable by employers if, as a result of the actuarial investigation, it is found that the accumulated liabilities of the Account for benefits to past and present teachers are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS was for the period 1 April 2001 to 31 March 2004. The GA’s report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from the 1 January 2007, and as part of the cost-sharing agreement between employers’ and teachers’ representatives, the SCR has been assessed at 19.75% and the supplementary contribution has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years); a total contribution rate of 20.5%. This translates to an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost sharing agreement also been introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

A copy of the GA’s 2004 valuation report can be found on the TeacherNet website at: www.teachernet.gov.uk/pensions

The pension cost charged in the financial statements for this scheme for the year ended 31 August 2010 was £888,398 (2009: £889,950) which were the contributions due for the year.

West Midlands Pension Fund

The Academy is one of several employing bodies included with the West Midlands Pension Fund (“WMPF”).

The WMPF is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The total contribution made for the year ended 31 August 2010 was £377,000 (2009: £394,000) of which employer’s contributions totalled £239,000 (2009: £253,000) and employees’ contributions totalled £138,000 (2009: £141,000). The agreed contribution rates for the year ended 31 August 2010 were 10.9% for employers and depending on salary 5.5% - 7.5% for employees.

The following information is based upon a valuation of the fund at by a qualified independent actuary. The next actuarial valuation of the fund is due as at 31 March 2010, which is expected to be published in early 2011.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

22 PENSION COMMITMENTS – continued

West Midlands Pension Fund – continued

Weighted average assumptions used to determine benefit obligations at:

| | At 31 August 2010 | At 1 September 2009 |
|--|------------------------------|--------------------------------|
| | % | % |
| Rate of increase in salaries | 5.05 | 5.30 |
| Rate of increase in pensions | 2.80 | 3.55 |
| Discount rate for liabilities | 4.90 | 5.65 |
| RP Inflation Assumption | 3.30 | 3.55 |
| CP Inflation Assumption | 2.80 | n/a |
| Further life expectancies from age 65: | | |
| Retiring today: Males | 21.7 | 21.2 |
| Retiring today: Females | 24.9 | 24.0 |
| Retiring in 20 years: Males | 23.5 | 22.2 |
| Retiring in 20 years: Females | 26.8 | 25.0 |

Weighted average assumptions used to determine net pension cost for year ended:

| | At 31 August 2010 | At 1 September 2009 |
|--|------------------------------|--------------------------------|
| | % | % |
| Rate of increase in salaries | 5.30 | 5.65 |
| Rate of increase in pensions | 3.55 | 3.90 |
| Discount rate for liabilities | 5.65 | 5.65 |
| Expected long-term return on plan assets | 6.58 | 6.89 |
| Inflation Assumption | 3.55 | 3.90 |
| Further life expectancies from age 65: | | |
| Retiring today: Males | 21.2 | 21.1 |
| Retiring today: Females | 24.0 | 24.0 |
| Retiring in 20 years: Males | 22.2 | 22.2 |
| Retiring in 20 years: Females | 25.0 | 25.0 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

22 PENSION COMMITMENTS – continued

West Midlands Pension Fund – continued

The weighted average asset allocation of the scheme and the weighted average expected rate of return at the year-end were as follows:

| | Long term rate of return expected at 31 August 2010 % | Plan assets at 31 August 2010 £ | Long term rate of return expected at 1 September 2009 % | Plan assets at 1 September 2009 £ |
|---|--|--|--|--|
| Equities | 7.50 | 1,818,000 | 7.50 | 1,323,000 |
| Government Bonds | 3.70 | 249,000 | 4.00 | 249,000 |
| Other Bonds | 4.50 | 228,000 | 5.15 | 149,000 |
| Property | 6.50 | 249,000 | 6.50 | 180,000 |
| Other | <u>0.50</u> | <u>52,000</u> | <u>0.50</u> | <u>57,000</u> |
| Total fair value of scheme assets | 6.64 | 2,596,000 | 6.58 | 1,958,000 |
| Present value of scheme liabilities | | (4,141,000) | | (2,997,000) |
| | | ————— | | ————— |
| Net pension liability recognised | | (1,545,000) | | (1,039,000) |
| | | ===== | | ===== |

None of the fair values of the assets shown above include any of the Academy's own financial instruments or any property occupied by, or other assets used by, the Academy.

| Analysis of amount chargeable to statement of financial activities | 2010 £ | 2009 £ |
|---|-------------------|-------------------|
| Current service cost | 417,000 | 495,000 |
| Expected return on scheme assets | (142,000) | (132,000) |
| Interest cost | 185,000 | 159,000 |
| | ————— | ————— |
| Total pension cost recognised in SOFA | 460,000 | 522,000 |
| | ===== | ===== |

The actual return on the scheme assets in the year was £248,000 (2009: £144,000).

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

22 PENSION COMMITMENTS

West Midlands Pension Fund – continued

| Amount recognised in the statement of total recognised gains/(losses) (STRGL) | 2010 £ | 2009 £ |
|--|--------------------|--------------------|
| Actuarial losses on pension scheme assets | 106,000 | (276,000) |
| Actuarial gains/(losses) on benefit obligations | <u>(391,000)</u> | <u>277,000</u> |
| Actuarial gain/(loss) recognised in STRGL | (285,000) | 1,000 |
| <i>Movement in deficit during the year</i> | | |
| Deficit in the Scheme at 1 September 2009 | (1,039,000) | (771,000) |
| Movement in year: | | |
| Current service cost | (417,000) | (495,000) |
| Employer contributions | 239,000 | 253,000 |
| Pension finance (costs)/income | (43,000) | (27,000) |
| Actuarial gain/(loss) | <u>(285,000)</u> | <u>1,000</u> |
| Deficit in the scheme at 31 August 2010 | (1,545,000) | (1,039,000) |
| <i>Change in benefit obligation</i> | | |
| Benefit obligation at beginning of year | 2,997,000 | 2,501,000 |
| Current service cost | 417,000 | 495,000 |
| Interest cost | 185,000 | 159,000 |
| Member contributions | 138,000 | 141,000 |
| Actuarial (gains)/losses | 391,000 | (277,000) |
| Benefits paid | <u>13,000</u> | <u>(22,000)</u> |
| Benefit obligation at end of year | 4,141,000 | 2,997,000 |
| <i>Change in plan assets</i> | | |
| Fair value of plan assets at beginning of year | 1,958,000 | 1,730,000 |
| Expected return on plan assets | 142,000 | 132,000 |
| Actuarial gains/(losses) | 106,000 | (276,000) |
| Employer contribution | 239,000 | 253,000 |
| Member contribution | 138,000 | 141,000 |
| Benefits paid | <u>13,000</u> | <u>(22,000)</u> |
| Fair value of plan assets at end of year | 2,596,000 | 1,958,000 |

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2010

22 PENSION COMMITMENTS

West Midlands Pension Fund – continued

Five year history

| | 31/08/10 £'000 | 31/08/09 £'000 | 31/08/08 £'000 | 31/08/07 £'000 |
|--|-------------------|-------------------|-------------------|-------------------|
| Benefit obligation at the end of year | (4,141) | (2,997) | (2,501) | (1,531) |
| Fair value of plan assets at end of year | <u>2,596</u> | <u>1,958</u> | <u>1,730</u> | <u>1,401</u> |
| Deficit | <u>(1,545)</u> | <u>(1,039)</u> | <u>(771)</u> | <u>(130)</u> |

History of experience of gains and losses

| | 2010 % | 2010 £ | 2009 % | 2009 £ | 2008 % | 2008 £ |
|--|--------------|------------------|------------|--------------|---------------|------------------|
| Difference between expected and actual return on scheme assets (percentage of scheme assets) | 4.1 | 106,000 | (14.1) | (276,000) | (7.4) | (128,000) |
| Experience gains and losses on scheme liabilities | 0.0 | - | 0.0 | - | 0.0 | - |
| Total amount recognised in statement of total recognised gains and losses (percentage of scheme liabilities) | <u>(6.9)</u> | <u>(285,000)</u> | <u>0.0</u> | <u>1,000</u> | <u>(22.9)</u> | <u>(572,000)</u> |

The Academy expects to contribute £239,000 in the year to August 2011. The employer contribution rate payable from 1 April 2011 is being reviewed as part of 31 March 2010 actuarial valuation of the fund.

23 MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

As at 31 August 2010 there were 2 members of the charitable company.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2010

| | Total SCA £ | Total GSCA £ | Total 2010 £ | Total 2009 £ |
|-------------------------------------|-------------------|--------------------|--------------------|--------------------|
| INCOME | | | | |
| GENERAL ANNUAL GRANT | 7,951,008 | 5,340,772 | 13,291,780 | 13,779,339 |
| YPLA CAPITAL GRANTS | 161,811 | 118,396 | 280,207 | 215,460 |
| LA CAPITAL | 12,175 | 8,429 | 20,604 | 186,942 |
| OTHER YPLA GRANTS | 721,692 | 464,765 | 1,186,457 | 1,341,070 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 8,846,686 | 5,932,362 | 14,779,048 | 15,522,811 |
| OTHER GOVERNMENT GRANTS | | | | |
| Standard fund | 5,650 | 1,000 | 6,650 | - |
| High Cost pupils | 244,071 | 212,556 | 456,627 | 524,485 |
| Raising Achievement Muslim Boys | 10,000 | - | 10,000 | 10,000 |
| Compromise agreements | - | - | - | - |
| Aim higher | 500 | 7,981 | 8,481 | 13,463 |
| City gates income | 8,400 | - | 8,400 | 5,200 |
| School travel plan – grant income | - | - | - | 23,651 |
| Comenius – grant income | 15,271 | - | 15,271 | 11,618 |
| Creative partnership – grant income | 9,000 | - | 9,000 | 24,002 |
| Sure Start nursery | - | - | - | 19,907 |
| Co-op – Cape Hill | 79,515 | - | 79,515 | 35,950 |
| Disadvantage Fund | 95,100 | - | 95,100 | - |
| Sport Peripheries | - | 27,188 | 27,188 | - |
| Extended Play | 5,000 | - | 5,000 | - |
| British council Yemen | - | 2,400 | 2,400 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 472,507 | 251,125 | 723,632 | 668,276 |
| PRIVATE SECTOR SPONSORSHIP | | | | |
| Curriculum income | 19,686 | 86,389 | 106,075 | 74,570 |
| Other donations | - | - | - | 8,671 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 19,686 | 86,389 | 106,075 | 83,241 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| carried forward | 9,338,879 | 6,269,876 | 15,608,755 | 16,274,328 |

This page does not form part of the statutory financial statements.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY
DETAILED INCOME AND EXPENDITURE ACCOUNT (Continued)
for the year ended 31 August 2010

| | Total SCA £ | Total GSCA £ | Total 2010 £ | Total 2009 £ |
|--------------------------------------|-------------------|--------------------|--------------------|--------------------|
| brought forward | 9,338,879 | 6,269,876 | 15,608,755 | 16,274,328 |
| OTHER INCOME | | | | |
| Interest | 6,218 | 3,073 | 9,291 | 55,863 |
| Hire of halls/rooms | 24 | 15,000 | 15,024 | 52,280 |
| FAC finance | 131,710 | - | 131,710 | 55,541 |
| Nursery | 318,657 | - | 318,657 | 191,837 |
| PMFL income | 171,754 | - | 171,754 | 118,087 |
| Payments from other schools | 11,600 | 41,999 | 53,599 | 45,645 |
| Catering | 75,676 | 130,462 | 206,138 | 197,172 |
| CLC income | 51,708 | - | 51,708 | 28,351 |
| Payments from primaries | - | 9,793 | 9,793 | 13,130 |
| Shire learning payments | 317,698 | - | 317,698 | 611,378 |
| Community Active Lifestyles income | 467 | - | 467 | 31,465 |
| Fit for Life | - | 2,113 | 2,113 | 14,874 |
| Community Active Lifestyles extended | - | 83,758 | 83,758 | 87,411 |
| Technicians | - | 44,761 | 44,761 | 59,403 |
| Consultancy income | - | - | - | 12,000 |
| E-learning activities | 4,600 | - | 4,600 | - |
| Aim Higher | - | - | - | - |
| Parental Support | - | 6,650 | 6,650 | - |
| Teacher Training Agency | 1,038 | 49,898 | 50,936 | 65,737 |
| Post 16 Laptop Inc. | 3,466 | 3,927 | 7,393 | 15,780 |
| 6 th form income | - | 829,132 | 829,132 | 694,483 |
| Community language | 9,667 | - | 9,667 | 50,106 |
| Community SLA | 13,617 | - | 13,617 | - |
| Uniform income – misc sales | 3,985 | 8,512 | 12,497 | 18,052 |
| Exam fees | 567 | 229 | 796 | 2,992 |
| Income supply teacher | 189 | 9,935 | 10,124 | 19,468 |
| Income contribution to visits | 29,166 | 17,626 | 46,792 | 68,117 |
| COI Project Income | - | - | - | 1,109 |
| Testbed income | - | - | - | 18,310 |
| Human resources income | 87,857 | - | 87,857 | 44,696 |
| Cape Hill Co-operative | 25,505 | - | 25,505 | 15,995 |
| Miscellaneous | 17,123 | 37,689 | 54,812 | 91,303 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,283,924 | 1,294,556 | 2,578,480 | 2,680,585 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL INCOME | 10,622,803 | 7,564,432 | 18,187,235 | 18,954,913 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

This page does not form part of the statutory financial statements.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2010

| | Total SCA £ | Total GSCA £ | Total 2010 £ | Total 2009 £ |
|--|-------------------|--------------------|--------------------|--------------------|
| EXPENDITURE | | | | |
| Staff costs | | | | |
| Teaching | 3,248,105 | 2,955,691 | 6,203,796 | 5,986,986 |
| Educational support | 644,690 | 301,846 | 768,356 | 1,123,046 |
| Other staff | | | | |
| Premises | 159,287 | 170,079 | 329,366 | 447,416 |
| Admin and clerical | 353,134 | 228,832 | 581,966 | 503,725 |
| Catering staff | 91,658 | 108,493 | 200,151 | 225,661 |
| Other | 178,510 | 157,398 | 335,908 | 321,128 |
| Total GAG staff costs | <u>4,497,384</u> | <u>3,922,339</u> | <u>8,419,723</u> | <u>8,607,960</u> |
| Maintenance of premises | | | | |
| Building maintenance | 131,697 | 104,483 | 236,180 | 388,433 |
| Grounds maintenance | 16,890 | 22,391 | 39,281 | 44,258 |
| | <u>148,587</u> | <u>126,874</u> | <u>275,461</u> | <u>432,691</u> |
| Other occupancy costs | | | | |
| Cleaning | 33,267 | 20,643 | 53,910 | 58,489 |
| Water | 7,037 | 12,679 | 19,716 | 24,002 |
| Fuel | 185,646 | 166,147 | 351,793 | 330,786 |
| Rates | 18,907 | 17,869 | 36,776 | 48,282 |
| Insurance | 45,857 | 43,657 | 89,514 | 80,357 |
| Security | 48,609 | 40,168 | 88,777 | 96,344 |
| Other | 8,754 | 17,290 | 26,044 | 24,863 |
| Telephone | <u>8,376</u> | <u>76,579</u> | <u>84,955</u> | <u>-</u> |
| | 356,453 | 395,032 | 751,485 | 663,123 |
| Educational supplies and services | | | | |
| Books | 37,533 | 16,115 | 53,648 | 47,959 |
| Educational equipment | 217,456 | 41,853 | 259,309 | 399,873 |
| Stationery and materials | 244,917 | 161,077 | 405,994 | 248,278 |
| Transport | 78,239 | 36,612 | 114,901 | 153,861 |
| Examination fees | 132,731 | 482,301 | 315,032 | 257,930 |
| Fees for external advice | 1,067,288 | 45,713 | 1,113,001 | 1,235,382 |
| Other | 37,242 | 7,144 | 44,386 | 30,233 |
| | <u>1,815,456</u> | <u>490,815</u> | <u>2,306,271</u> | <u>2,373,517</u> |
| Other supplies and services | | | | |
| Catering | 111,570 | 146,148 | 257,718 | 260,368 |
| Legal and professional fees | 28,886 | 6,219 | 35,105 | 157,697 |
| Auditors' remuneration | 18,127 | 1,051 | 19,178 | 26,452 |
| Bank interest and charges | 1,444 | 24 | 1,468 | - |
| Pupil recruitment | 5,922 | 5,725 | 11,647 | - |
| Pupil support | 186,842 | 140,351 | 327,193 | 482,251 |
| | <u>352,791</u> | <u>299,518</u> | <u>652,309</u> | <u>926,768</u> |
| Balance carried forward | <u>7,170,672</u> | <u>5,234,578</u> | <u>12,405,250</u> | <u>13,004,060</u> |

This page does not form part of the statutory financial statements.

