

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

Annual Report and Financial Statements

Year ended 31 August 2014

Company Registration Number:
06336693 (England and Wales)

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

MEMBERS

A Savell-Boss

Sir M Grundy

A Price

Trustee	Status	Committees	Appointed	Resigned
A Savell-Boss Board Chair	Parent	Resources (Chair) Remuneration and Performance Management Local Governing Body		
N Hussain (Vice Chair)	Community	Local Governing Body Audit		
S R Malhi	Community	Local Governing Body Remuneration and Performance Management Audit		
S Sandhu	Community	Local Governing Body Resources		15/07/14
M Conway-Jones	Family	Local Governing Body Audit Resources Remuneration and Performance Management		
Sir M Grundy	Ex-Officio	Resources Local Governing Body		
T Mulla	Family	Local Governing Body Resources Audit		
Z Akhtar	Co- Opted	Local Governing Body Audit		
J Nair	Co-opted	Audit	15/07/14	

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REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

I Foyle

Senior Management Team

J Kellas	Director of Finance
D Irish	Senior Vice Principal
M Kelay	Vice Principal
G Faux	Acting Vice-Principal
M Adams	HR Director

Principal and Registered Office Waterloo Road
Smethwick
West Midlands
B66 4ND

Company Registration Number 06336693 (England and Wales)

Independent Auditor Chantrey Vellacott DFK LLP
35 Calthorpe Road
Edgbaston
West Midlands
B15 1TS

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

Solicitors Browne Jacobson
44 Castle Gate
Nottingham
NG1 7BJ

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REPORT OF THE TRUSTEES
31 August 2014

The Trustees present their report together with the financial statements of the charitable company for the year ending 31st August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies on pages 32 to 35 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).

The Collegiate Academy Trust's head office is at Shireland Collegiate Academy. The Articles of Association which govern the Trust allows for more than one Academy. Shireland Collegiate Academy is an 11 -19 school with a pre-school nursery providing child care for 0-4 year olds. It has a pupil capacity of **1,165** and had a roll of **1,169** in the school census on **October** 2014. The pupil capacity will increase over the next 4 years by 15 pupils each year as agreed with the Local Authority.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Collegiate Academy Trust (CAT) is the legal entity which governs Shireland Collegiate Academy (SCA) and a subsidiary company Shireland Learning Ltd (SLL).

The Collegiate Academy Trust is a company limited by guarantee with no share capital. It was incorporated on 7 August 2007 and was registered as a charity on 6 February 2008. The CAT is an exempt charity whose Principal Regulator is the Secretary of State for Education. The CAT commenced operations on 1 September 2007. The charitable company's Memorandum and Articles of Association are its primary governing documents. The current Articles of Association were adopted from 1 September 2011 following the de-federation of George Salter Collegiate Academy (GSCA) from the Trust, its transfer to the Ormiston Academies Trust, and the ending of the Ormiston Trust's role as Academy Trust sponsor. Members of the charitable company are a nominee of the Secretary of State for Education (should s/he chose to appoint), the Chair of the Board of Trustees, the original signatories of the Memorandum of Association who are still Members and any persons appointed unanimously by the Members.

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 details of the Trustees who served throughout the year are included in the references and administrative details on page 3.

The Articles of Association enable the Collegiate Academy Trust to operate on a federal basis and to include more than one Academy. The Articles allow the Trust to establish Local Governing Bodies for each Academy within its control. Shireland Collegiate Academy has a local governing body whose role includes the monitoring of the performance of the Academy and the implementation of policies agreed by the Collegiate Academy Trust Board. The Local Governing Body has appointed 12 Governors which include trustees, family and staff members.

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.

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Trustees Indemnities

Subject to the provisions of the Companies Act 2006, every Governor or other officer or auditor of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy. The Academy has a third party indemnity in place for all Trustees.

Principal Activities

The Articles of Association describe the Academy Trust's purposes as: 'to advance education by establishing and managing schools offering a broad curriculum and to provide facilities for recreational and other leisure time occupation for community benefit at large in the interests of social welfare and with the object of improving the conditions of life of the community'.

Under the terms of the Funding Agreement with the Department for Education (DFE) the Academy provides a broad educational curriculum for pupils of different abilities who are drawn mainly from the local area. The Academy's Raising Achievement Plan describes the Academy's educational aims, objectives and targets and is approved annually by the Board of Trustees which fulfils largely strategic role in the running of the Academy. The Raising Achievement Plan states how the Academy will unlock the potential of pupils, promote their well-being, raise aspirations and self-esteem and achieve high standards. The Academy is at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community, developing new directions for teaching and learning and establishing continuous improvements in standards. The admissions policy and arrangements for the Academy are in accordance with admissions law and the DfE Code of Practice, as they apply to maintained schools.

The Collegiate Academy Trust has developed two key statements upon which the vision for the trust is based,

These are:

- *"Leading Learning, Changing Attitudes, Promoting Cohesion"*;
- *"Aim Higher, See Further, Be Concerned for Everyone"*.

The first statement broadly aims to guide the work of the Academy's staff and the second has been developed for students.

Method of Recruitment and Appointment or election of Trustees

Trustees were appointed to ensure the objects of the trust as set out in the Articles of Association and Funding Agreement are adhered to.

The Trustees were appointed following consultation with the current Board, the local community and parents. The Collegiate Academy Trust Board constitution determines the need for up to 3 Community Trustees, up to 3 Academy Trustees, the Executive Principal, and 2 Parent (Family) Trustees. In addition the Board may appoint up to 3 Co-opted Trustees, and 1 Primary School Head Teacher. The Secretary of State for Education may appoint Additional and Further Trustees. The Articles of Association say that Family Trustees shall be elected by the Family Committee.

During the year under review the Trust held 4 Board meetings; 4 Resources Committee meetings were scheduled but one was inquorate; and 2 Governing Body meetings. There were 4 meetings of the Shireland Learning Board (the subsidiary company) and 3 Audit Committee meetings.

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Trustees are asked to complete an inventory of their skills and experience on appointment and thereafter periodically. The resulting overall profile of Board expertise enables Trustees to appoint persons who will ensure that the Board can discharge its duties efficiently and effectively.

This year the board has agreed for the Academy to sign up to the SGOSS – Governors for Schools Service to ensure that any skills gaps that have been identified can be filled accordingly. We have successfully recruited one Trustee with the potential for further appointments in 2014/2015, as and when vacancies appear.

Procedures adopted for the induction and training of Trustees

The Trust has made efforts over the past two years to work towards a “paperless system” and has invested in an “Online” Governance Portal. All Trustees and Governors have access to relevant policies and procedures by using the governance portal on a “24/7” basis. Each Trustee/Governor on appointment is issued with a notebook computer, guidance on use, an Induction Pack and a summary of Key Documents folder. Both the Induction pack and key documents are updated annually or as and when required. Each new Trustee/Governor is also asked to complete a training needs questionnaire.

New trustees are also given the opportunity to attend an induction training session, and/or a one to one induction session with the Executive Principal and/or the Company Secretary. The induction training covers the role and responsibilities of a charity Trustee/governor and support on use of the Governance Portal.

The Key Documents folder supplied, contains information about the Academy, its constitution, the Board and its Committees, the responsibilities of Trustees and Governors, the role of the Chair, safeguarding, training available and sources of relevant information with website links. This information complements the on-going training programme.

Trustees/Governors are encouraged to attend training when and as often as possible. The Trust has signed a contract with both Sandwell MBC and SSAT to allow Trustees/Governors access to their on line training. In addition to this Sandwell MBC provide a comprehensive training schedule throughout the year, which all Trustees/Governors are reminded to access and sign up to.

In addition to the external training on offer and the wealth of resources that are available online via Sandwell and SSAT, Trustees/Governors are encouraged to sign up to SGOSS support and the National Governors Association Support Network. As a Trust we also provide a mini training session before each meeting during the year (30 to 40 minutes). This year the training has covered; providing challenge and strategic leadership and direction, how to be an effective board (by external auditors), development planning and target setting, financial health check, accountability and benchmarking, critical friend role and use of data and the importance of the School Data Dashboard.

All Trustees and Governors were also given the opportunity to tour the Academy and the new building, to meet with staff and students and have been asked to act as a link to curriculum areas where they have a particular interest.

At the end of each year we review with Trustees/Governors the training programme this information is used to plan future training programmes.

In addition to the in year training courses, the governance portal has been regularly updated so that Trustees and Governors can be informed of national developments in education and related legislation. The portal stores all relevant information for Trustees and Governors, information on training sessions, and updates on weekly events in the Academy, current news and links to areas of interest.

Organisational structure

The management structure allows for support of more than one academy.

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The organisational structure is comprised of four levels which are the:

- Collegiate Academy Trust Board of Trustees;
- Academy Local Governing Body;
- Executive Leadership Team and
- Senior Leadership Team.

The aim of this structure is to give clear management accountability that allows the relevant responsibilities to be devolved and encourage involvement in decision making at all levels.

The Governance Structure and its associated Scheme of Delegation are approved annually at the first meeting of the Board of Trustees in the Autumn term. These documents state the responsibilities of the Board and the powers delegated to its Committees. The Executive Principal is the Accounting Officer. The Scheme of Delegation describes the Executive Principal's financial responsibilities and powers and those that have been delegated to Committees and senior staff.

The Trustees are responsible for ensuring compliance with the Trust's duties under company and charity law and the agreement made with the DfE, including the funding agreement; for approving all policies; the annual budget and monitoring the work of the Academy. They also take major decisions about the direction of the Academy, capital expenditure and the appointment and dismissal of the Executive Principal and the Director of Finance.

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

The Executive Leadership Team consists of 5 staff; the Executive Principal, the Director of Finance, Director of Human Resources, one Senior Vice-Principal and one Vice Principal.

These individuals have responsibility for the implementation of decisions made by the Collegiate Trust Board in relation to any aspect of the Academy's management and organisation, but in particular in respect of the curriculum, financial management, human resources and the development of extended services.

The Executive Leadership Team meets on a weekly basis to plan, deliver and evaluate the provision of the work of the Trust.

The Senior Leadership Team meets twice a week and provides the day to day operational management of the Academy. The Senior Management Team consists of 8 senior staff with emphasis on Curriculum and data, site management, behaviour, Achievement, Attainment and Progress, E- Learning, Study Support and personalised learning via Achievement Weeks and Focus Days.

Subsidiary company

The Collegiate Academy Trust 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 2014, SLL made a profit of £nil (year ended 31 August 2013: £nil profit).

Shireland Learning Ltd provides a school improvement function. For this year and last year SLL has not traded.

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Connected Organisations (including Related Party Relationships)

The Collegiate Academy Trust entered into a collaborative working agreement with Victoria Park Primary Academy, company number 07887796 whose registered office is at Ballot Street, Smethwick, West Midlands, B66. The Collegiate Academy Trust and Victoria Park Primary Academy are the initial subscribers and Members of the Smethwick Learning Partnership. The Partnership was incorporated on 30 May 2012 with company number 08089402 and registered office c/o Shireland Collegiate Academy Waterloo Road Smethwick West Midlands B66 4ND. The Smethwick Learning Partnership was established to supply education related services and facilities to schools, colleges, local authorities, children, young people, adult learners, companies, corporations, trusts, associations and institutions. It was established to provide school improvement and related services to schools, colleges, local authorities, companies, corporations, trusts, associations and institutions.

The objective of the Partnership was to

- (a) improve the quality of education for young people in Sandwell and the surrounding area;
- (b) improve the quality of education for young people in member schools;
- (c) work in partnership to support learning continuity, personnel development and family engagement across the local area;
- (d) create a structure of mutual support by using the skills and expertise across the partnership which will support all of the schools' staff, students and families;
- (e) improve teaching and learning;
- (f) create a local led and delivered support system;
- (g) support areas of weakness as identified collectively to raise standards;
- (h) develop an agreed vision and strategy for the delivery of school improvement activity to the benefit of member schools;
- (i) share examples of best practice across member schools; and
- (j) achieve improved value for money for member schools.

The organisation should have a minimum of 3 directors who are representative of the establishments who entered into the agreement. Each establishment was entitled to appoint up to 2 directors. Victoria Park Academy and Shireland Collegiate Academy appointed the following directors:

Sir Mark Grundy-- Executive Principal of the Collegiate Academy Trust
Ashley Savell-Boss-- Chair of the Collegiate Academy Trust Board of Directors
Andrew Morrish-- Principal of Victoria Park Primary Academy
Claire Simone Seymour (to 10th June 2014)

The Smethwick Learning Partnership has not traded in this accounting period and is dormant.

OBJECTIVES AND ACTIVITIES

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

Objects, aims and objectives

Shireland Collegiate Academy serves a community which is predominantly from ethnic minority communities with a small white population. There are considerable challenges in terms of employment and health related issues and the Academy, via its Extended Services agenda plays an active role in helping with these challenges.

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The Academy is fully committed to the concept of full extended schools and is working closely with the 10 local partner primary schools to start work with families as soon as possible. The students and their families benefit significantly from the activities which are located and distributed around and within the Academy. The provision of study support, child care, adult training, sport, art related activities and community partnership are both unusual and inspiring. The use of technology at Shireland is exemplary and much work has been undertaken to develop a series of Portals which provide our staff, students and families with access to information, guidance and training via the internet. This year has seen us investing in the use of technology for the “flipped Classroom and working with the Education Endowment Fund (EEF) and OCR to forward the agenda of personalised learning.

The Academy has a standard intake of 180 with provision for 900 students aged 11 to 16, plus a standard sixth form of 250 of which 219 were on roll. However this year has seen the approval to increase our intake to 195, thus over a period of 5 years our provision will increase to 975 plus a sixth form of 250.

The Academy follows fair banding admissions to ensure that fully comprehensive admissions criteria and equality is achieved within the individual local communities. The vast majority of the students attending the Academy live in its vicinity and Shireland is very much a community school. Trustees will evaluate the benefits of this admissions system in the coming academic year and are looking into areas such as key Primary schools, the PAN and the expansion of a specialism strand.

The Collegiate Academy Trust’s key aims are based on the initial Expression of Interest to establish an Academy. The aim is to develop an innovative curriculum which will:

- develop key competences in an interactive context-driven curriculum based on the RSA Opening Minds framework;
- grow an enterprise environment;
- offer a curriculum based not upon the more common model of multiple intelligences but upon an emotional intelligence model;
- provide just-in-time delivery to learners wherever they are through the development of Shireland’s Learning Gateway;
- provide a virtual extended school by taking the Learning Gateway technology into all homes and places of learning;
- offer language as a school improvement strategy, utilising the culturally and linguistically rich communities served by the Collegiate Academy and lead in the area on the National Languages Strategy;
- raise aspirations, recognising the importance of Arts in the development of individuals;
- support individual, economic and community development through performing arts and links to creative industries;
- support schools in the Borough and nationally by extending the Learning Gateway to provide access for all learners and encourage 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 year on a number of specific developments which are integral to the delivery of the Trust’s objectives and core principles. These are contained within our Raising Achievement Plan (RAP) and comprise Improving the Quality of Delivery, Enhancing Levels of Engagement, Ensuring Progression for All and establishing Partners in Learning.

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The focus for these 4 strands has been to ensure:

- All Staff are at least Good with at least 20% being Outstanding through both delivery and outcomes
- Continued development of Competencies into our KS4/5 delivery
- A creative curriculum which provides for the successful personal and academic development of each individual and cohort, underpinned by flipped classroom methodology
- The further the underpinning services which support students and families
- Assessment for Learning is embedded in all lessons
- Support staff in lessons are fully integrated into classroom delivery
- The role of Student Voice in fully engaged in the delivery of the Raising Attainment Plan strands
- The further engagement of the hard to reach students and families
- Accelerated individual student progress to narrow the attainment gap for identified cohorts
- The continued collaborative partnership with 10 Primary Schools
- The development of local business and strategic national partnerships to further enhance the quality of our delivery
- Establishment of a strategy to achieve "NCSL Teaching School" status
- Primary Study Support operates with over 100 students per week
- The utilisation of Pupil Premium funding to maximum effect. During this period £489,319 was expended to provide additional one to one intervention support for key stage 3, 4 and 5 identified students. The Academy has focussed interventions around the areas of literacy and numeracy improvement, Learning to Learn and work on emotional intelligence development. The Academy has also extended the policy of 1:1 technology learning and provided a number of students with enhanced e-learning provision.

The Trusts core principles are that all students should have access to a fully rounded, personalised and creative education. We try to bring together individuals and organisations that are committed to all students having access to a 'whole education'. By this, we mean an education that:

- develops a range of skills and competences (teamwork and communication skills), qualities (resilience and empathy), knowledge and associated qualifications that young people will need for their future;
- makes learning more relevant and engaging for young people, with them at the centre of their own learning, providing a mix of practical and theoretical learning in context;
- recognises that learning takes place in various settings, not just the classroom, and that the best schools engage the wider community in learning and pushes learning out into the community.

Public Interest

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 the Academy 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 Trust 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.

Equal opportunities policy

The Trustees recognise that equal opportunities must be an integral part of good practice within the workplace. The Academy aims to establish equality of opportunity in all areas of activity including creating a working environment in which the contribution and needs of all people are fully valued. The Academy has an Equal Opportunities policy.

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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 statutory obligations.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Our achievements for the academy as a whole are extremely pleasing and in many areas have reached record highs.

Some of key achievements include:

- Year 11 Achievement - the GCSE results 2014. The summer 2014 saw the Academy achieve the overall grades of 51% 5A*-C grades including English and Mathematics at GCSE level and saw the school reach an all-time high in terms of Student Progress with 87% 3 levels of progress in English and 72% in Mathematics. The targets set for the school were achieved.
- GCSE 5 A*-C results at SCA are incredibly positive with 85% of all students achieving a Grade C in either English or Mathematics – the school can be justifiably proud of these results, and once again these results are far better than those achieved by similar benchmarked schools. The targets set for the school were achieved.
- Post 16 Achievement - a 96% success rate in all subjects in A2 at grades A-E and 80% at AS 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 were achieved.
- Attendance has increased at SCA from 90.11% in 2008/9 to 94.65% this year. Our attendance results are simply outstanding and the work that has been undertaken by staff at all levels to secure this improvement is stunning.
- A considerable amount of work has taken place on the development of the new Office 365 based Learning Gateway. In the last academic year over 300 different families regularly used the Family Portal to monitor and support the achievements of their children and we had over 2 million hits on Student Portal
- The provision across the Extended Schools and Services agenda has matured still further throughout this year. The provision of support for students is outstandingly good, and there are plans in place to develop the other key strands of the Extended Service/School provision. The use of the Ormiston related funding to support Extended Services provision was a key once again this year. The level of provision and the spectrum of participants were exceptional. The end of year summer Careers related event in July was the culmination of several month's hard work in our local Primary Schools and saw over 1000 people attending. It was once again an exceptionally proud and inclusive day!

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Some of the most pleasing developments this year which have explicitly supported our objectives are:

- The position of our core subjects is stronger than at any time in the last few years. The three levels of progress values for Mathematics and English were 72% and 87% which puts us well above national expectations which given the very deprived community that we serve, is most pleasing
- The provision of devices for our students continues to roll through the school with the Post 16 students receiving Toshiba laptops so that they and Year 7 had the same devices.
- The Post 16 provision has developed throughout the year and recruitment for September 2014 will be at an all-time high of 250. We have also raised our entry requirements for programmes.
- The school has worked throughout this year to establish more partnerships in addition to the ones established with Steljes and Microsoft. We are now working closely with RM, SMART, Tute, e-learning 247 and Whole Education.
- In April 2014 the academy became a Teaching School and in September we welcomed the second cohort of School Direct placements. The recruitment of these "future teachers" has added considerable value in school.

Key Performance Indicators

The Academy sets seven key targets covering performance in all key stages, English, Maths, attendance and behaviour, individual teacher performance, overall teaching and learning and leadership and management. These targets are agreed by the Board and reported regularly throughout the year.

The Resources Committee monitors the resources of the CAT through the review of monthly management accounts to include reports on creditors and debtors, breaches of expenditure limits and virements, along with a cash flow, balance sheet, income and expenditure statements, forecast year end out turn and projections for the coming two academic years.

Within these reports trustees receive information on key performance indicators of which the main indicators for this period are as follows:

	2014	2013
Pupil numbers	1,102	1,101
<i>Staff to Student Ratios:</i>		
Pupils: Teachers	10.91:1	11.35: 1
Pupils: Administration/support	10.12:1	7.87: 1
Pupils: Management	157.43:1	137.63: 1
Pupils: Executive/Governance	244.89:1	244.67: 1
Income per Student	£9,300	£8,433
GAG Income per Student	£6,993	£6,762
Spend per Student	£9,261	£9,068
GAG Spend per Student	£6,723	£6,931
Average FTE Cost	£35,407	£33,317
Staffing costs as a percentage of Income	74%	78%
Staffing costs as a percentage of GAG Income	98%	98%

Going Concern

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

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FINANCIAL REVIEW

Financial report for the year

Most of the Collegiate Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2014 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the EFA. 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 2014, total expenditure of £10,206,252 was covered by recurrent grant funding from the EFA together with other incoming resources generated by the Academy.

The excess of expenditure over income for the year (excluding restricted fixed asset funds and pension reserve) was £154,289. The fixed asset fund excess of income over expenditure for the year was £196,217. Total excess of income over expenditure for the year is £41,928.

At 31 August 2014 the net book value of fixed assets was £9,179,317; movements in tangible fixed assets are shown in note 13 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 with our key concentration on the use of technology to improve attainment.

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, with the use of funding from Ormiston Trust of £125,000, improving standards within teaching and learning and equipping our new build to ensure the requirements of our Arts Aptitude students is central. Investments in the building and ICT have been centred on these initiatives and the general wellbeing of students. This year has again seen nearly £583,000 spent on refreshing ICT and equipping of our new performing Arts and Sports block.

This year the Academy has been fortunate to receive donated services in kind. These include up to £6,000 from Steljes for on line portal access; £6,000 from Microsoft for licences; £12,000 from RM for online books: access to licences and books from Little Bridge to the value of £7,920; Access to Rising Stars problem solving software £3,750; BrainPop Academy software £4,200 and Picture Maths software of £2,340, giving a total of £42,210 donated in kind. These have not been included within the financial statements as the quantum actually used cannot be accurately stated and does not have a material impact on the financial statements.

Reserves policy

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

The Trustees have agreed to work towards holding in reserves at least 5% of the General Annual Grant funding (excluding rates income). This equates to £383,890 based on the current year's results for the Charitable Company. The reserves policy is monitored through termly reports to the Resources Committee. This is to ensure there is provision to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

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The deficit on the pension scheme will impact on the cash flow of the Trust through an increase in employer's pension contribution over a period of years, when the fund is reviewed. This will not have a direct impact on the reserves in this current accounting period.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted reserves) is £526,748.

Financial position

The Collegiate Academy Trust held balances at 31 August 2014 of £8,574,070, comprising; restricted fixed asset fund of £9,364,957, restricted general fund of £27,365 excluding the pension reserve deficit of £1,345,000 and £526,748 of unrestricted funds.

Investment policy

The Collegiate Academy Trust has entered into a service agreement with the Local Authority to provide a treasury management service. This enables the cash position of the Academy to be maximised whilst ensuring the risk is minimal. The trust only works with organisations that give sovereign risk to ensure public funding is used appropriately.

Principal risks and uncertainties

The key risk to the CAT this year has been around the management of the building programme, the constraints of the core funding available from the DfE and the need to change the curriculum to meet the new target requirements.

The CAT going forward has a strategic risk register that monitors key risks and how these can be managed. Some of the key future issues for the CAT are the deficit on the non-teaching staff pension scheme, demand/competition for places, the management of partnerships and the changes to funding for academies, funding constraints, the growth of Teaching School with the limitation of funding.

The Academy is driving forward with an active marketing strategy and working with local primary schools to establish a smooth transition for our year 7 students to minimise the impact on progression and where possible is sharing good practice and resources within the primary sector.

The continued drive to obtain the best levels of attainment and the need to achieve 40% plus in GCSE A*-C English and Mathematics has been a high focus this year with resources identified. The Academy development plan has been centred on this focus along with personalised learning to ensure that every student achieves their full potential.

Risk management

The Trustees of the Collegiate Academy Trust are responsible for the management of the risks faced by the Academy. Detailed consideration of risk has been delegated to the Audit Committee and members of the Executive Leadership Team and Senior Leadership Team. 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 are operational. Training has been facilitated in house this year for Trustees and the Executive Leadership team and both risk registers have been reviewed for accuracy and action. Trustees were presented with a report which details the action taken to date and identifies areas for review in the coming academic year to ensure that all risks are monitored and minimised wherever possible. The development process for the 2014/2015 academic year has links to the risk register and further training will be held for Senior Managers to embed the risk process into planning.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2014

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

- A clear governance structure;
- Detailed terms of reference for the Resources and Audit committees, with clear levels of financial delegation;
- Termly reports on risk management to the Board and Audit Committee;
- Effective systems of internal financial control;
- A clear Development Planning process
- A Trustees' induction process;
- Performance Management process for staff with targets linked into the Development Planning 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;
- Review and challenge by an independent external consultant;
- Half yearly and annual audit by external auditors and termly reviews by the Responsible Officer;
- Self- evaluation.

Through the Risk Management process, the Trustees of the Collegiate Academy Trust 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.

PLANS FOR FUTURE PERIODS

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

- All teaching staff are graded at least good with 60% being outstanding
- Ensuring a bespoke curriculum, providing for each cohort and individual
- Creating a stimulating Gifted and Talented Programme
- Refinement of marking and feedback to students
- Assessment for Learning and assessment processes
- Creating a positive Environment for learning; physical and virtual
- Careers and 11-21 planning
- Business partnerships
- The development of more creative use of Achievement weeks and Focus Days
- Linking improvement priorities and actions to the delivery of teaching school.
- The further development and use of flipped learning
- Engaging with hard to reach families
- Increasing participation in family events
- Embedding competencies in all subjects;
- Further development of primary partnerships.

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

- Levels of Progress in English and Maths 80-85% (79 & 81)
- 4 Levels of Progress in Maths 30-35% (39) English 20-25% (26)
- Achieve 15 % of 3 A*/A grades
- Development of Careers and 14-21 planning programme
- 5A*-C including English and Maths 60-63% (58)
- Increase the Post 16 Success Rates - A2 A-E 100% (96), A2 A-C 55-60% (57), A2 2 A-B 16% and finally APS 580-600
- 80%-85% of L4L students to make expected progress as they do at KS4.
- 62-67% of students to obtain threshold levels and graduate from L4L.

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31 August 2014

The focus for pupil premium which is estimated to be over £496,000 next academic year is:

- To further raise the three/four levels of progress percentage beyond the current position, by the targeted interventions.
- To focus support for students who have failed to achieve a NC level in English and Mathematics prior to entry in to the school through a raft of intervention strategies.
- Support a "flipped classroom" methodology both pre and post 16 through the provision of enhanced technology such as the i-pad roll out Post 16, the further enhancements of the Learning Gateway, the use of Little Bridge to support Literacy and the further development of BMS which supports behaviour for learning.

These priorities have been agreed both with our Board and with the Academy School Improvement Partner and form the "blueprint" for the Academy's Development Plan.

Auditors

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 auditors, Chantrey Vellacott DFK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16th December 2014 and signed on the board's behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Executive Principal

THE COLLEGIATE ACADEMY TRUST
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GOVERNANCE STATEMENT
31 August 2014

Scope of Responsibility

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

The Trustees have delegated day to day responsibility to the Executive Principal – Sir Mark Grundy as accounting officer for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Collegiate Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Trustees any material weakness or breakdowns in internal control.

Governance

This information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Trust Board and Audit Committee has met formally 4 times this year.

Attendance during the year at both the meetings was as follows:

Trustee	Meeting Attended	Out of a possible
A Savell-Boss	4	4
M Grundy	4	4
N Hussain	2	4
S Sandhu	0	4
S Malhi	4	4
M Conway Jones	4	4
T Mulla	2	4
Z Akhtar	3	4
J Nair	1	1

The Board recognises the importance of building its capacity and expertise and continues to address this as a high priority. The Board's membership has been strengthened in the summer term by the appointment of J Nair as a Co-Opted Trustee.

The main issues and challenges during the year related to the new building programme and the need to maintain outstanding provision within the context of levels of deprivation and reducing grant funding.

The Resources Committee reports directly to the Board. Its main function is to provide scrutiny and challenge in respect of the Academy Trust's finances and to ensure compliance with statutory and contractual obligations under the terms of the Funding Agreement with the DfE.

Attendance during the year at Resources Committee meetings was as follows.

Trustee	Meetings attended	Out of a possible
A Savell-Boss (Chair)	4	4
M Grundy	3	4
S Sandhu	0	4
A Price (Governor appointed by LGB)	3	4
M Conway-Jones	2	4
T Mulla	0	4

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31 August 2014

Where a meeting is inquorate those members who have attended are counted as present in this report.

During the year the Committee reviewed a wide range of detailed finance reports and recommended to the Board the approval of the annual budget and the year- end accounts.

Governance Review

On an annual basis the Trustees ask the Responsible Officer to complete a self-evaluation of the terms of reference to ensure the responsibilities have been discharged in year correctly.

All new Trustees are asked to complete a skills matrix, this is used to inform the training requirements and align skills with the appropriate committee.

Trustees have attended training on how to be an effective board in year. OFSTED in 2012/2013 deemed Governance outstanding.

Trustees are also asked to judge the effectiveness of each meeting by the company secretary to aid self-improvement.

The Board will continue to work with the Responsible Officer to assess the impact of Governance via the self-evaluation model. The board will also be given time next year to review the effectiveness of meetings as part of the training programme.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide a reasonable and not an absolute assurance of effectiveness. The system of internal controls is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives. It enables the Board to evaluate the likelihood of those risks being realised and their potential impact, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Collegiate Academy Trust for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Trustees have reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees' view is that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. The process is reviewed on an annual basis by Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees;
- regular reviews by the Trustees and Resources Committee of reports which indicate financial performance against the forecast;
- termly performance reports to the Local Governing Body;
- 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;

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GOVERNANCE STATEMENT
31 August 2014

- 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 the Academy
- Robust Governance structure.
- Established an Audit Committee following the publication of the revised Academies Financial Handbook in September 2012. The purpose of this Committee is to review and address the risks to internal control, inform the statement of internal control of the Collegiate Academy Trust, and agree a programme of internal audit work to provide assurance to the external audit process.

In addition, the Trustees have considered the guidance for directors 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 Academy's 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 EFA, to the Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities in 2013/2014. Mr Foyle produced termly detailed reports and reported directly to Trustees, throughout the year. In addition to this, Chantrey Vellacott DFK LLP (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 Audit Committee.

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.

Review of Effectiveness

As Accounting Officer Sir Mark Grundy has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by;

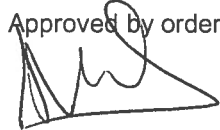
- the work of the Responsible Officer;
- the work of the external auditor;
- the self-evaluation process for financial management and governance;
- the work of the executive and senior leadership team within the Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the Academy's School Improvement Partner (SIP).

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GOVERNANCE STATEMENT
31 August 2014

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

Approved by order of the member of the Trustees on 16th December 2014 and signed on its behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Accounting Officer

THE COLLEGIATE ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
31 August 2014

As accounting officer of The Collegiate Academy Trust I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency of material irregularity and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



Sir M Grundy
Accounting Officer

THE COLLEGIATE ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
31 August 2014

Statement of Trustees' Responsibilities

The trustees of The Collegiate Academy Trust (who act as governors and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in operation.

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

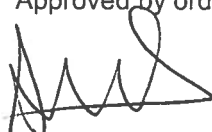
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have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

In so far as the trustees are aware:

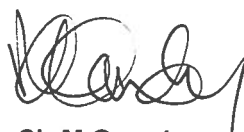
- there is no relevant audit information of which the academy's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Approved by order of the members of the Trust Board on 16th December 2014 and signed on its behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Executive Principal

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 financial statements of The Collegiate Academy Trust for the year ended 31 August 2014 set out on pages 27 to 51. These financial statements 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Independent Auditor's Report to the Members of The Collegiate Academy Trust (continued)

Matters on which we are required to report by exception

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

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



NICHOLAS SIMKINS (Senior Statutory Auditor)
for and on behalf of CHANTREY VELLACOTT DFK LLP
Chartered Accountants and Statutory Auditor
Birmingham

Date 16 December 2014.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
COLLEGIATE ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 March 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Collegiate Academy Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Collegiate Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Collegiate Academy Trust's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

We have undertaken testing as appropriate in accordance with the Academies Accounts Direction 2013 to 2014. This includes an evaluation of the control environment of the school, enquiry, analytical review and substantive testing.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Chantrey Vellacott DFK LLP
Reporting Accountant
Birmingham

16 December 2014

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account) for the year ended 31 August 2014

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2014 £	Total 2013 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	3	23,573	-	14,270	37,843	7,491
Activities for generating funds	4	983,580	498,467	-	1,482,047	880,671
Investment income	5	6,992	-	-	6,992	27,972
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	6	-	8,698,961	22,337	8,721,298	8,368,746
Total incoming resources		1,014,145	9,197,428	36,607	10,248,180	9,284,880
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		644,032	332,236	50,846	1,027,114	914,016
<i>Charitable activities:</i>						
Academy's educational operations	8	-	8,554,505	546,594	9,101,099	9,106,512
Governance costs	9	-	39,905	38,134	78,039	71,177
Total resources expended	7	644,032	8,926,646	635,574	10,206,252	10,091,705
Net incoming/(outgoing) resources before transfers		370,113	270,782	(598,967)	41,928	(806,825)
Gross transfers between funds	18	(397,551)	(397,633)	795,184	-	-
Net income/(outgoing) resources before other recognised gains/losses		(27,438)	(126,851)	196,217	41,928	(806,825)
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes	28	-	304,000	-	304,000	172,000
Net movement in funds		(27,438)	177,149	196,217	345,928	(634,825)
Total funds brought forward		554,186	(1,494,784)	9,168,740	8,228,142	8,862,967
Funds carried forward at 31 August 2014		526,748	(1,317,635)	9,364,957	8,574,070	8,228,142

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

All of the Trust's activities derive from continuing operations during the above two financial periods.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PARENT CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account) for the year ended 31 August 2014

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2014 £	Total 2013 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	3	23,573	-	14,270	37,843	7,491
Activities for generating funds	4	983,580	498,467	-	1,482,047	880,671
Investment income	5	6,992	-	-	6,992	27,972
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<i>Charitable activities:</i>						
Academy's educational operations	8	-	8,554,505	546,594	9,101,099	9,106,512
Governance costs	9	-	39,905	38,134	78,039	71,177
Total resources expended	7	644,032	8,926,646	635,574	10,206,252	10,091,705
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Net income/(outgoing) resources before other recognised gains/losses		(27,438)	(126,851)	196,217	41,928	(806,825)
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes	28	-	304,000	-	304,000	172,000
Net movement in funds		(27,438)	177,149	196,217	345,928	(634,825)
Total funds brought forward		551,548	(1,494,784)	9,168,740	8,225,504	8,860,329
Funds carried forward at 31 August 2014		524,110	(1,317,635)	9,364,957	8,571,432	8,225,504

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

All of the academy's activities derive from continuing operations during the above two financial periods.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

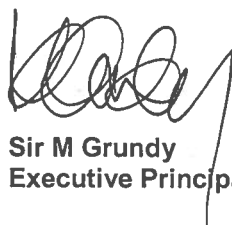
Consolidated Balance Sheet
as at 31 August 2014

	Notes	2014	2013
Fixed assets			
Tangible assets	13	9,179,317	8,977,437
Current assets			
Stock	15	18,727	17,379
Debtors	16	709,682	517,299
Cash on short term deposit		500,000	800,000
Cash at bank and in hand		<u>721,852</u>	<u>197,455</u>
		1,950,261	1,532,133
Creditors: Amounts falling due within one year	17	<u>(1,210,508)</u>	<u>(738,428)</u>
Net current assets		<u>739,753</u>	<u>793,705</u>
Total assets less current liabilities excluding pension liability		9,919,070	9,771,142
Pension scheme liability	28	<u>(1,345,000)</u>	<u>(1,543,000)</u>
Net assets including pension liability		<u>8,574,070</u>	<u>8,228,142</u>
Funds of the academy:			
Restricted funds			
Fixed asset fund	18	9,364,957	9,168,740
General fund	18	27,365	48,216
Pension Reserve	18	<u>(1,345,000)</u>	<u>(1,543,000)</u>
		8,047,322	7,673,956
Unrestricted funds			
General fund	18	<u>526,748</u>	<u>554,186</u>
		<u>8,574,070</u>	<u>8,228,142</u>

The financial statements on pages 27 to 51 were approved by the Governors, and authorised for issue on 16 December 2014 and are signed on their behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Executive Principal

Company Number 06336693

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

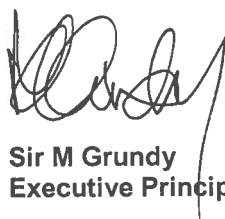
Charitable Company Balance Sheet
as at 31 August 2014

	Notes	2014	2013
Fixed assets			
Tangible assets	13	9,179,317	8,977,437
Current assets			
Stock	15	18,727	17,379
Debtors	16	708,019	515,636
Cash on short term deposit		500,000	800,000
Cash at bank and in hand		<u>720,328</u>	<u>195,931</u>
		1,947,074	1,528,946
Creditors: Amounts falling due within one year	17	<u>(1,209,959)</u>	<u>(737,879)</u>
Net current assets		<u>737,115</u>	<u>791,067</u>
Total assets less current liabilities excluding pension liability		9,916,432	9,768,504
Pension scheme liability	28	<u>(1,345,000)</u>	<u>(1,543,000)</u>
Net assets including pension liability		<u>8,571,432</u>	<u>8,225,504</u>
Funds of the academy:			
Restricted funds			
Fixed asset fund	18	9,364,957	9,168,740
General fund	18	27,365	48,216
Pension Reserve	18	<u>(1,345,000)</u>	<u>(1,543,000)</u>
		8,047,322	7,673,956
Unrestricted funds			
General fund	18	<u>524,110</u>	<u>551,548</u>
		<u>8,571,432</u>	<u>8,225,504</u>

The financial statements on pages 27 to 51 were approved by the Governors, and authorised for issue on 16 December 2014 and are signed on their behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Executive Principal

Company Number: 06336693

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Consolidated Cash Flow Statement
for the year ended 31 August 2014

	Notes	2014 £	2013 £
Net cash inflow/(outflow) from operating activities	22	1,018,252	(405,742)
Returns on investments and servicing of finance	23	6,992	27,972
Capital expenditure	24	(800,847)	(494,992)
Increase/(decrease) in cash in the year	25	<u>224,397</u>	<u>(872,762)</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2013		997,455	1,870,217
Net funds at 31 August 2014		<u>1,221,852</u>	<u>997,455</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2014

1. Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013/2014 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

The trustees assess whether the use of going concern is appropriate including whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

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 2014.

Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

• **Grants receivable**

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in the restricted asset fund.

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

• **Donated Services and gifts in kind**

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

• **Interest Receivable**

Interest receivable is included in the Statement of Financial Activities on an accruals basis.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2014

1. Statement of Accounting Policies (continued)

Resources Expended

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

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the academy trust's educational operations.

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Assets costing less than £1,000 are written off in the year of acquisition.

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

Depreciation

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

Freehold Land	0%
Short Leasehold property	2%
Furniture and equipment	10 - 15%
Computer equipment and software	20 - 33%
Motor vehicles	20%

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

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2014

1. Statement of Accounting Policies (continued)

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. There is no readily available market value and the cost of valuation exceeds the benefit derived. The Collegiate Academy trust is the sole member of Shireland Learning Limited.

Stock

Unused stationery, ICT consumables, fuel, oil and catering stores are valued at the lower of cost or net realisable value.

Leased Assets

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

Pensions Benefits

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

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

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2014

1. Statement of Accounting Policies (continued)

Fund Accounting

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

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

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2014.

3. Voluntary Income – Group and Company

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Curriculum income	23,573	-	23,573	7,491
Private sponsorship	-	14,270	14,270	-
	23,573	14,270	37,843	7,491

4. Activities for Generating Funds – Group and Company

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Nursery	373,460	-	373,460	310,354
EEF	-	323,880	323,880	-
Extended Services	-	171,281	171,281	166,814
Human Resources	162,553	-	162,553	145,578
OCR	86,856	-	86,856	-
E-learning activities	74,117	-	74,117	5,708
Catering	72,974	-	72,974	50,074
FAC finance	61,278	-	61,278	63,283
Contribution to visits	47,466	-	47,466	11,754
Teaching Income	34,858	-	34,858	-
Secondment Income	33,333	-	33,333	59,615
PE Teachers	11,625	-	11,625	-
Safeguarding	11,045	-	11,045	-
Teacher Training Agency	-	2,520	2,520	14,734
Cape Hill Dis-advantage Fund	-	-	-	26,826
Other	14,015	786	14,801	25,931
	983,580	498,467	1,482,047	880,671

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

5. Investment Income – Group and company

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Bank interest receivable	6,992	-	6,992	27,972
	<u>6,992</u>	<u>-</u>	<u>6,992</u>	<u>27,972</u>

6. Funding for the Academy Trust's educational operations - Group and Company

	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
EFA/DfE grants				
General Annual Grant (GAG) (Note 2)	-	7,706,018	7,706,018	7,444,862
Capital grants	-	22,337	22,337	42,141
Other EFA/DfE grants	-	864,669	864,669	680,508
	<u>-</u>	<u>8,593,024</u>	<u>8,593,024</u>	<u>8,167,511</u>
Other Government grants				
High Cost pupils	-	126,474	126,474	201,235
Sandwell PPG	-	1,800	1,800	-
	<u>-</u>	<u>128,274</u>	<u>128,274</u>	<u>201,235</u>
	<u>-</u>	<u>8,721,298</u>	<u>8,721,298</u>	<u>8,368,746</u>

7. Resources Expended – Group and Company

	Staff Costs £	Premises £	Other Costs £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	733,316	50,846	242,952	1,027,114	914,016
Academy's educational operations					
Direct costs	5,846,311	470,325	789,304	7,105,940	6,851,530
Allocated support costs (Note 8)	989,032	493,895	512,232	1,995,159	2,254,982
	<u>6,835,343</u>	<u>964,220</u>	<u>1,301,536</u>	<u>9,101,099</u>	<u>9,106,512</u>
Governance costs including allocated support costs (Note 9)	8,513	38,134	31,392	78,039	71,177
	<u>7,577,172</u>	<u>1,053,200</u>	<u>1,575,880</u>	<u>10,206,252</u>	<u>10,091,705</u>

The method used for the apportionment of support costs is disclosed in the accounting policies on page 33.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

7. Resources Expended – Group and Company (continued)

Incoming/outgoing resources for the year include:	2014 £	2013 £
Operating leases - other	46,827	49,812
Fees payable to the auditor - audit	12,401	18,400
Fees payable to the auditor – other	1,500	-

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

	Total £	Amount £	Reason
Ex gratia/compensation payments	24,000	24,000	Redundancy

8. Charitable Activities – Academy Trust's educational operations - Group and Company

	Total 2014 £	Total 2013 £
Direct costs		
Teaching and educational support staff costs	5,846,311	5,516,348
Depreciation	470,325	428,824
Books, apparatus and stationery	282,485	131,296
Examination fees	127,981	142,003
Staff development	102,167	108,572
Educational consultancy	16,815	37,908
Other direct costs	259,856	486,579
	7,105,940	6,851,530
Allocated support costs		
Support staff costs	989,032	1,156,894
Depreciation	76,269	69,539
Pupil recruitment and support	114,864	65,845
Maintenance of premises and equipment	98,232	122,699
Cleaning	37,056	23,838
Rent & rates	76,174	61,685
Heat and light	99,366	115,851
Insurance	45,822	37,994
Security	60,977	30,674
Transport	45,438	139,744
Catering	105,336	109,732
Technology costs	102,679	129,580
Bank interest and charges	1,509	1,307
Other support costs	142,405	189,599
	1,995,159	2,254,982
Total direct and support costs	9,101,099	9,106,512

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

9. Governance costs – Group and Company

	Total 2014	Total 2013
	£	£
Support staff costs	8,513	13,183
Legal and professional fees	18,466	2,149
Auditor's remuneration		
- Audit of financial statements	10,151	14,650
- Other audit costs	2,250	5,850
Trustees' reimbursed expenses	525	575
Depreciation	38,134	34,770
	<u>78,039</u>	<u>71,177</u>

10. Staff

a. Staff costs

Staff costs during the year were:

	2014	2013
	£	£
Wages and salaries	6,109,711	5,948,686
Social security costs	470,962	455,389
Other pension costs	714,014	633,057
FRS 17 adjustment	106,000	108,000
	<u>7,400,687</u>	<u>7,145,132</u>
Staff restructuring costs	23,269	-
Agency staff	153,216	118,077
	<u>7,577,172</u>	<u>7,263,209</u>

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £24,000 (2013 £nil), which was paid to one individual.

c. Staff numbers

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

	2014	2013
	No.	No.
Charitable activities		
Teachers	100	93
Administration and support	109	120
Management	5	5
	<u>214</u>	<u>218</u>
Total	<u>214</u>	<u>218</u>

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2014	2013
	No.	No.
£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£160,001 - £170,000	1	1
	<u>1</u>	<u>1</u>

Three (2013: three) of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, employer's pension contributions for these staff amounted to £42,521 (2013: £39,888). The other employee (2013:1) participated in the Local Government Pension Scheme, pension contributions amounted to £7,082 (2013: £6,652).

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

11. Related Party Transactions - 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 counted 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.

During the year no trustees received reimbursements (2013: none) for travel and subsistence.

Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

Sir M Grundy (principal and trustee): £160,000 - £170,000 (2013: £160,000 - £170,000)

Other related party transactions are set out in note 29.

12. Trustees' 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 on any one claim and the cost for the period ended 31 August 2014 was £1,728 (2013: £1,843).

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

13. Tangible Fixed Assets – Group and Company

	Leasehold land and buildings £	Furniture and Equipment £	Computer software £	Motor vehicles £	Total £
Cost					
At 1 September 2013	8,989,128	342,266	2,287,506	29,016	11,647,916
Additions	216,500	61,434	582,704	-	860,638
Disposals	-	-	(57,690)	-	(57,690)
At 31 August 2014	<u>9,205,628</u>	<u>403,700</u>	<u>2,812,250</u>	<u>29,016</u>	<u>12,450,594</u>
Depreciation					
At 1 September 2013	944,957	184,580	1,530,806	10,136	2,670,479
Charged in year	167,895	29,463	432,413	5,803	635,574
Eliminated on disposal	-	-	(34,776)	-	(34,776)
At 31 August 2014	<u>1,112,852</u>	<u>214,043</u>	<u>1,928,443</u>	<u>15,939</u>	<u>3,271,277</u>
Net book values					
At 31 August 2014	<u>8,092,776</u>	<u>189,657</u>	<u>883,807</u>	<u>13,077</u>	<u>9,179,317</u>
At 31 August 2013	<u>8,044,171</u>	<u>157,686</u>	<u>756,700</u>	<u>18,880</u>	<u>8,977,437</u>

Included within the net book value of Leasehold Land and Buildings is land not depreciated of £810,893 (2013: £810,893).

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 trustees to retain this valuation in the financial statements and not to adopt a policy of ongoing revaluation.

14. Investments

	2014 £	2013 £
Investment in wholly owned subsidiary at cost	-	-
	====	====

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

A summary of the results and that balance sheet position of SLL for the year ended 31 August 2014 is shown below:

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

14. Investments (continued)

Profit and loss account	Year ended 31 August 2014 £	Year ended 31 August 2013 £
Profit for the period	-	-
	<u> </u>	<u> </u>
Balance sheet	31 August 2014 £	31 August 2013 £
Current assets	3,187	3,187
Current liabilities	(549)	(549)
	<u> </u>	<u> </u>
	2,638	2,638
	<u> </u>	<u> </u>
Represented by		
Profit and loss account	2,638	2,638
	<u> </u>	<u> </u>
Members' funds	2,638	2,638
	<u> </u>	<u> </u>

The audit reports for the year ended 31 August 2014 and the year ended 31 August 2013 were both unqualified.

15. Stock – Group and Company

	2014 Group £	2013 Company £
ICT consumables	2,614	3,003
Fuel Oil	915	5,806
Resources	3,021	1,605
Stationery	1,589	2,500
Catering	2,196	4,465
Electrical	8,392	-
	<u> </u>	<u> </u>
	18,727	17,379
	<u> </u>	<u> </u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2014

16. Debtors

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Trade debtors	266,489	266,489	145,370	145,370
Prepayments and accrued income	310,450	310,450	227,418	227,418
VAT recoverable	118,257	118,257	142,848	142,848
Sundry debtors	14,486	12,823	1,663	-
	<u>709,682</u>	<u>708,019</u>	<u>517,299</u>	<u>515,636</u>

17. Creditors: amounts falling due within one year

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Trade creditors	535,445	535,445	139,446	139,446
Taxation and social security	144,482	144,482	149,501	149,501
Pension	104,188	104,188	97,196	97,196
Other creditors	1,025	1,025	8,851	8,851
Accruals and deferred income	425,368	424,819	343,434	342,885
	<u>1,210,508</u>	<u>1,209,959</u>	<u>738,428</u>	<u>737,879</u>

Deferred income

	2014 £
Deferred income at 1 September 2013	238,522
Resources expended for the year	(238,522)
Deferred income for current year	<u>203,589</u>
Deferred Income at 31 August 2014	<u>203,589</u>

Deferred income at 31 August 2014 relates to Bursary Fund, rates and capital grants received in advance, amounts invoiced in advance in respect of Finance, Human Resources and other services income relating to the next financial year.

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18. Restricted Funds

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

	Balance at 1 September 2013 £	Incoming resources £	Resources expended £	Gains/ (losses) and transfers £	Balance at 31 August 2014 £
Restricted general funds					
General Annual Grant (GAG)	-	7,706,018	(7,408,370)	(297,648)	-
Other EFA/DfE grants	25,283	864,669	(951,767)	63,015	1,200
LA grants - High cost pupils	-	126,474	(126,474)	-	-
- Sandwell PPG	-	1,800	(1,800)	-	-
Teacher Training Agency	-	2,520	(2,520)	-	-
Extended Services	23,312	171,281	(168,428)	-	26,165
Living Lab	(379)	786	(407)	-	-
EEF	-	323,880	(160,880)	(163,000)	-
Pension reserve	(1,543,000)	-	(106,000)	304,000	(1,345,000)
	<u>(1,494,784)</u>	<u>9,197,428</u>	<u>(8,926,646)</u>	<u>(93,633)</u>	<u>(1,317,635)</u>
Restricted fixed asset funds					
EFA/DfE capital grants	403,344	22,337	(172,949)	-	252,732
Capital expenditure from GAG	491,546	-	(166,137)	480,184	805,593
Assets donated on conversion	7,466,190	-	(119,140)	-	7,347,050
Capital expenditure from Unrestricted funds	739,895	-	(121,435)	152,000	770,460
EEF grant	-	-	(32,600)	163,000	130,400
Other Capital Grants	67,765	14,270	(23,313)	-	58,722
	<u>9,168,740</u>	<u>36,607</u>	<u>(635,574)</u>	<u>795,184</u>	<u>9,364,957</u>
Unrestricted general funds					
General funds	551,548	1,014,145	(644,032)	(397,551)	524,110
Trading subsidiary	2,638	-	-	-	2,638
Total unrestricted funds	<u>554,186</u>	<u>1,014,145</u>	<u>(644,032)</u>	<u>(397,551)</u>	<u>526,748</u>
Total funds	<u>8,228,142</u>	<u>10,248,180</u>	<u>(10,205,487)</u>	<u>304,000</u>	<u>8,574,070</u>

The transfers from unrestricted funds to restricted funds represent the excess of resources expended over incoming resources.

The transfers from restricted and unrestricted funds to the restricted fixed asset funds represent amounts allocated for spending on capital items.

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18 Restricted Funds – continued

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

- a. General Annual Grant must be used for the normal running costs of the Academy. Under the funding agreements with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.
- b. Restricted fixed assets were funded by government grants or sponsors;
- c. High Cost Pupils funding is to support identified students with additional educational needs;
- d. Sandwell PPG – grant to spend on promoting healthy lifestyles for students;
- e. Teacher Training Agency – to pay salary costs and supply for GTP;
- f. Extended Services – grant to spend on promoting extra-curricular activities with students and families;
- g. Living Lab – a science project to make science more meaningful
- h. Pension reserve – represents the surplus/(deficit) in the Local Government Pension Scheme.
- i. EEF grant - The Education Endowment Fund have provided funding to work with 24 partner primary schools to introduce the use of technology into maths – “Flipping Maths”.

19. Analysis of net assets between funds

Fund balances at 31 August 2014 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Trading subsidiary reserves £	Total Funds £
Tangible fixed assets	-	-	9,179,317	-	9,179,317
Current assets	676,729	1,087,892	185,640	-	1,950,261
Current liabilities	(149,981)	(1,060,527)	-	-	(1,210,508)
Pension scheme liability	-	(1,345,000)	-	-	(1,345,000)
Total net assets	526,748	(1,317,635)	9,364,957	-	8,574,070

20. Capital commitments

	2014 £	2013 £
Authorised by trustees, but not yet contracted	52,030	63,000

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

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21. Financial commitments

At 31 August 2014 the Academy had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Other Operating Leases		
Expiring within one year	6,515	22,742
Expiring within two and five years inclusive	19,018	20,708

22. Reconciliation of net income to net cash inflow from operating activities

	2014	2013
	£	£
Net incoming/(outgoing) resources	41,928	(806,825)
Depreciation /profit and loss on disposal (Note 13)	635,574	579,492
Capital grants from DfE and other capital income	(36,607)	(42,141)
Interest receivable	(6,992)	(27,972)
FRS 17 pension cost less contributions payable (Note 28)	91,000	87,000
FRS pension finance income (Note 28)	15,000	21,000
(Increase)/decrease in stocks	(1,348)	(234)
(Increase)/decrease in debtors	(192,383)	(78,930)
Increase/(decrease) in creditors	472,080	(137,132)
Net cash inflow from operating activities	1,018,252	(405,742)

23. Returns on investments and servicing of finance

	2014	2013
	£	£
Interest received	6,992	27,972
Net cash inflow from returns on investment and servicing of finance	6,992	27,972

24. Capital expenditure and financial investment

	2014	2013
	£	£
Purchase of tangible fixed assets	860,638	537,133
Receipts from sale of fixed assets	(23,184)	-
Private capital donations	(14,270)	-
Capital grants from EFA/DfE	(22,337)	(42,141)
Net cash outflow from capital expenditure and financial investment	800,847	494,992

25. Analysis of changes in net funds

	At 1 September 2013	Cash flows	At 31 August 2014
	£	£	£
Cash in hand and at bank	197,455	524,397	721,852
Current asset investments	800,000	(300,000)	500,000
	997,455	224,397	1,221,852

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26. 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.

27. Members' Liability

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

28. Pension obligations

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 Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Sandwell MBC. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £101,457 (2013: £95,857) were payable to the schemes at 31 August 2014 and are included within creditors.

The total pension cost to the Academy during the year ended 31 August 2014 was £714,014 (2013: £633,057) of which £509,432 (2013: £490,460) relates to the TPS and £204,582 (2013: £142,597) relates to LGPS.

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

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28. Pension obligations – continued

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying 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 above the information available on the scheme.

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28. Pension obligations – continued

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £295,000, of which employer's contributions totalled £194,000 and employees' contributions totalled £101,000.

The agreed contribution rates for future years are 10.7% for employers and a deficit contribution of £27,000 in 14/15, £28,200 in 15/16 and £29,400 in 16/17; and depending on salary 5.5%-7.5% per cent for employees.

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

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

The scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in additions to normal funding levels.

Principal Actuarial Assumptions

	At 31 August	At 31 August
	2014	2013
	%	%
Rate of increase in salaries	3.95	4.15
Rate of increase in pensions	2.20	2.40
Discount rate for liabilities	4.00	4.60
CP Inflation Assumption	2.20	2.40

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

Retiring today

Males	22.9	22.1
Females	25.5	24.8

Retiring in 20 years

Males	25.1	23.9
Females	27.8	26.7

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28. Pension obligations – continued

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Plan assets at 31 August 2013 £
Equities	7.00	2,252,000	7.00	1,854,000
Government Bonds	2.90	395,000	3.40	367,000
Other Bonds	3.80	515,000	4.40	490,000
Property	6.20	435,000	5.70	380,000
Other	7.00	1,185,000	7.00	1,102,000
Cash/liquidation	0.50	<u>220,000</u>	0.50	<u>179,000</u>
Total market value of assets		5,002,000		4,372,000
Present value of scheme liabilities		<u>(6,347,000)</u>		<u>(5,915,000)</u>
(Deficit) in the scheme		<u>(1,345,000)</u>		<u>(1,543,000)</u>

The actual return on the scheme assets in the year was £480,000 (2013: £398,000).

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

Amount recognised in the statement of financial activities	2014 £	2013 £
Current service cost	285,000	276,000
Expected return on scheme assets	(265,000)	(226,000)
Interest cost	280,000	247,000
Total pension cost recognised in statement of financial activities	<u>300,000</u>	<u>297,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS17 is a £311,000 gain (2013: £7,000 gain).

Movement in the present value of defined benefit obligations were as follows:

	2014 £	2013 £
At 1 September 2013	5,915,000	5,319,000
Current service cost	285,000	276,000
Interest cost	280,000	247,000
Member contributions	101,000	91,000
Actuarial (gains)/loses	(189,000)	-
Benefits paid	(45,000)	(18,000)
At 31 August 2014	<u>6,347,000</u>	<u>5,915,000</u>

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28. Pension obligations – continued

Movement in the fair value of Academies share of scheme assets:

At 1 September 2013	4,372,000	3,712,000
Expected return on plan assets	265,000	226,000
Actuarial gains/(losses)	115,000	172,000
Employer contribution	194,000	189,000
Member contribution	101,000	91,000
Benefit paid	(45,000)	(18,000)
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At 31 August 2014	5,002,000	4,372,000
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The estimated value of employer contributions for the year ended 31 August 2015 is £198,000.

The five-year history of experience adjustments is as follows:

	2014	2013	2012	2011	2010
	£'000	£'000	£'000	£'000	£'000
Present value of defined benefit obligations	(6,347)	(5,915)	(5,319)	(6,488)	(4,141)
Fair value of share of scheme assets	5,002	4,372	3,712	4,570	2,596
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Deficit in the scheme	(1,345)	(1,543)	(1,607)	(1,918)	(1,545)
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29. Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the trust Board being drawn from local, public and private sector organisations, it is inevitable that transactions will take place with organisation in which a member of the Trust Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulation and normal procurement procedures.

No related party transactions took place during the year.

