

**THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)**

Annual Report and Financial Statements

Year ended 31 August 2016

**Company Registration Number:
06336693 (England and Wales)**

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONTENTS

Reference and administrative information	3
Report of the Trustees	5
Governance Statement	20
Statement on Regularity, Propriety and Compliance	25
Statement of Trustees' Responsibilities	26
Independent auditors' report on the Financial Statements	27
Independent auditors' report on regularity	29
Consolidated statement of financial activities	31
Charitable company statement of financial activities	32
Consolidated balance sheet	34
Charitable company balance sheet	35
Consolidated cash flow statement	36
Principal accounting policies	37
Notes to the financial statements	42

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Appointed	Resigned		
A Savell-Boss	05/10/2011			
Sir M Grundy	27/07/2007	24/08/2016		
A Price	21/02/2012			
J Evans	12/07/2016			
J Nair	03/08/2016			
Z Akhtar	12/07/2016			
Trustee	Status	Committees	Appointed	Resigned
A Savell-Boss Board Chair	Academy Trustee	Resources Remuneration and Performance Management Local Governing Body	21/10/15 Re-appointed	
N Hussain	Community	Local Governing Body Audit	21/10/15 Re-appointed	
M Conway-Jones	Family	Local Governing Body Audit Resources Remuneration and Performance Management	12/07/16 Re-appointed	
Sir M Grundy	Ex-Officio	Resources Local Governing Body	07/08/07	
T Mulla	Family	Local Governing Body Resources Audit	20/03/13	
Z Akhtar	Co-opted	Local Governing Body Audit	20/03/13	
J Nair	Co-opted	Audit Resources	15/07/14	
K Egan	Co-opted	Audit Resources Remuneration and Performance Management	18/03/15	
J Anandou	Community	Audit Resources	21/10/2015	
M Zafar	Community	Audit	12/07/2016	

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

I Foyle

Executive Management Team

J Kellas	Director of Finance
D Irish	Senior Vice Principal
G Faux	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 Moore Stephens
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

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

The Trustees present their report together with the financial statements of the charitable company for the year ending 31st August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

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 1,225 and had a roll of 1,169 in the school census on October 2015. The pupil capacity will increase over the next 2 years by 15 pupils each year in year 7 until the Academy reaches its capacity number, 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 a membership of 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.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

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 agreed with the Department for Education (DFE) in 2007, 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, depending on the positions available. 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. All Trustees, with the exception of Family Trustees are asked to attend an induction interview with the Chair of the Board, the Executive Principal and the Finance Director. On this advice the Trustees appointment is then either endorsed by the Board or rejected.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

During the year under review the Trust held 6 Board meetings; 3 Resources Committee meetings and 3 Governing Body meetings. There were 2 meetings of the Shireland Learning Board (the subsidiary company) and 3 Audit Committee meetings.

All 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. When a vacancy arises, the skills inventory is reviewed to ensure the advert for a Governor is linked to the required skill set.

The Board has continued this year to use SGOSS – Governors for Schools Service, this year, to ensure that any skills gaps that have been identified can be filled accordingly. We have successfully recruited one Trustee in 2015-16 via this route and have also made one further appointment to commence in 2016/2017.

Procedures adopted for the induction and training of Trustees

The Trust has made efforts over the past four 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, 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 were encouraged to attend training when and as often as possible. The Trust 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 provided a comprehensive training schedule throughout the year, which all Trustees/Governors were reminded to access and sign up to. The Trust is also a member of the National Governors Association (NGA) and member of Key Educational, which holds a wealth of information and support for Trustees and Governors. For the first time this year, the Trust has also subscribed to Optimus, which has a governance support structure.

In addition to the external training on offer and the 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 provided a mini training session before each Board and Committee meeting during the year (30 to 40 minutes). This year the training has covered; British Values and the Prevent Strategy; Progress 8, staff appraisal, exclusion and the management of behaviour, the MAT structure and Free school. The Local Governing Body has also received training on safeguarding, Free School and MAT structure. At the beginning of the financial year all Trustees and Governors were trained in the use of the on-line governance portal and the use of the devices they have been issued with.

All Trustees and Governors were also given the opportunity to attend a variety of events across the year, to meet with staff and students. Most Trustees and Governors have taken these opportunities and reported accordingly.

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 Trustees have completed an end of year evaluation which has

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

provided very helpful feedback on such issues as what has worked well/less well, suggestions for meetings management, the level and quality of reporting, roles and responsibilities and training needs.

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. Plans have been made to ensure that in 2016-17 the portal will be a source of regular updates on the development of the Free School programme and the addition of new schools into the Trust.

Organisational structure

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

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

- Collegiate Academy Trust Board of Trustees (including supporting committees)
- 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 is reviewed annually before being submitted to the Board for approval. A summary of the key changes is presented to Trustees. Trustees are encouraged to propose ways in which the governance arrangements can be improved and how to increase the level and effectiveness of challenge and support to the Executive Leadership Team.

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 (unless otherwise delegated to a Committee); 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 consisted of 5 staff; the Executive Principal, the Director of Finance, Director of Human Resources, one Senior Vice-Principal and one Vice Principal.

These individuals were responsible for the implementation of decisions made by the Collegiate Academy 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 COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

The Executive Leadership Team of 5 staff meet 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 7 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.

Arrangements for setting pay and remuneration of key management personnel

Key personnel are defined as the Academy Trustees, the Executive Leadership Team of the Trust and the Senior Leadership Team of Shireland Collegiate academy. Trustees are not paid for their role, but in line with trustee's expenses policy can claim expenses incurred in relation to the discharge of their duties.

The Executive Leadership Team of the Trust are paid on the trust's Executive Pay scale. The Remuneration and Performance Committee of the Trust Board determines the salary of those on the executive pay spine. The teaching members of staff follow the conditions of service for Leadership Posts and the non-teaching members follow the conditions of the National Joint Council. All members of ELT, in addition to their annual salary, have an element of performance related pay.

The senior leadership team of SCA are paid in line with the current national pays scales for teaching staff and in accordance with the Teachers Pay and Conditions Document, non-teaching members of staff are paid in line with the national NJC pay scales and NJC terms and conditions.

Subsidiary company

The Collegiate Academy Trust is the sole member of Shireland Learning Limited (SLL), a company incorporated in England (registration no. 06052021). As reported in the audited accounts for the year ended 31 August 2016, SLL made a profit of £nil (year ended 31 August 2015: £nil profit).

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

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 4ND. 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;

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

- (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 was dissolved on 6th September 2016 via a voluntary strike off.

OBJECTIVES AND ACTIVITIES

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

Objects, aims and objectives

The Trust has a full vision statement based on the following strap lines, Leading Learning, Promoting Cohesion, Changing Attitudes as an institution and Aim Higher, See Further and Be Concerned for everyone for students.

At its core the Trust believes in an inclusive education for local students at every ability level, a rigorous grounding in academic fundamentals, that every student should be equipped for the future through teaching them relevant and cutting edge skills for the era in which they live. Most importantly that every student should be safe, happy, ambitious for themselves and respectful of all.

Sandwell is an area of extreme deprivation, students have historically had lower than average outcomes. Most evident in the RAISE online IDACI index of 0.49 for the founder Academy, the most deprived quintile. Studies have rated the area poorly for:

- Unemployment – 34.9% of Smethwick residents are economically inactive.
- Health – 18.6% Smethwick long term sick or disabled or Limited Day to day, 16.4% (Soho)
- Levels of parental education – 37.9% Smethwick, 35% of Soho residents have no qualifications.
- 55% of students have English as and Additional Language.

The trust is committed to reversing these declines, to ensuring that through education students life chances are improved and through community engagement, the chances of families are improved. The trust has the overall targets:

- That students should achieve at least half a grade more per subject than if they went to a standard school.
- That students' attendance should be 95% or higher.
- That all students who seek one will gain a place at university.

Last year the Academy achieved all of these targets and is seeking to bring the methodology they are using to a larger number of students. It is worth reiterating that Ofsted have graded the Academy as Outstanding three times while they have had L4L in operation.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

The Academy is fully committed to the concept of working collaboratively and is working closely with 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.

The Academy has a standard intake of 195 with provision for 975 students aged 11 to 16, plus a standard sixth form of 250 of which 250 were on roll last year.

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 once again evaluate the benefits of this admissions system in the coming academic year and are looking into areas such as key Primary schools, the provision of a Free School, 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 the Raising Achievement Plan (RAP) for SCA and comprise Improving the Quality of Delivery, Enhancing Levels of Engagement, Ensuring Progression for All and establishing Partners in Learning.

The focus for these 4 strands has been to ensure:

- All Staff are at least Good with at least 65% being Outstanding through both delivery and outcomes
- A Gifted and Talented programme in operation
- Refinement of Marking and Feedback to students
- On line homework solution utilising Office Mix
- Engaging the hard to reach students and families.
- Inclusion of Student Voice in the delivery of RAP strands

**THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)**

**REPORT OF THE TRUSTEES
31 August 2016**

- Further develop the Faiths and Cultures site on the Gateway as a basis for the PREVENT & British values work
- Reduce lateness and absence still further
- Increase to 75% engagement at Family Events
- A creative curriculum which provides for the successful personal and academic development of each individual and cohort, underpinned by flipped classroom methodology
- The further development of the underpinning services which support students and families
- Assessment for Learning is embedded in all lessons
- 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
- Further development of our "NCSL Teaching School" status and School Direct
- Primary Study Support operates with 10 schools participating
- The utilisation of Pupil Premium funding to maximum effect. During this period £503,000 was expended to provide additional intervention support for key stage 3, 4 and 5 identified students.

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.

In 2016 the Academy Trust was reactivated and was granted Multi Academy Trust status by the Department, bid for a Primary Free School and was granted permission to enter the pre-opening phase. This was done following a period of intense capacity building in order for the trust to be prepared to manage multiple institutions. The Trust has a bid before the DFE for a further three technology enhanced Primary Free Schools.

The trustees of the Collegiate Academy Trust (CAT) have embraced a growth strategy leading to, provided bids are successful, a trust model which by 2020 would contain the original Outstanding Secondary School, four Primary Free Schools and an additional secondary selected by the RSC board. The expansion is to be in a small geographical area of the West Midlands and has the endorsement of the Local Authority in each of the areas of expansion.

The Trust currently contains one Outstanding Secondary, is in the process of pre-opening a primary free school and has just received the Academy Order to sponsor a Dudley LEA secondary school in Special Measures. The trust is seeking in its first five-year plan to expand to a five to six school model, building from the successful support of other institutions while seeking to ensure each school is outstanding.

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
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

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.

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 2016. The summer 2016 saw the Academy achieve the overall grades of 43% 5A*-C grades including English and Mathematics at GCSE level and saw the school reach an all-time high in terms of the Progress made by students with a final Progress 8 result of 0.32. This means that on average students achieve a third of a grade in every subject more than expected. Shireland has the best progress in the Authority despite the weakest cohort.
- Post 16 Achievement - a 98% success rate in all subjects in A2 at grades A-E and 89% at AS (a 13% increase) 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 94.85% this year. Consistent improvement has seen us beat the national average for the past five years.
- The Academy has continued to focus a considerable amount of work on the further development of the Office 365 based Learning Gateway. In the last academic year we continued to integrate MS Sway, Office Mix and Delve into the Gateway and incorporated other solutions to provide on-line homework to students in Key Stage 3.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

- 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.

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

- The focus on progress 8 as a target across all departments has seen the Academy top the league tables for the authority.
- The provision of devices for our students continues to roll through the school with the Year 7, 8 and Post 16 students receiving Microsoft Surface devices.
- The Academy has been granted Research School Status.
- The Post 16 provision has developed throughout the year and recruitment for September 2016 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, the Mercers Foundation and Whole Education.

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 and are detailed above in achievements and performance

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 budget movements, 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:

	2016	2015
Pupil numbers	1,169	1,168
<i>Staff to Student Ratios:</i>		
Pupils: Teachers	12.09:1	11.39: 1
Pupils: Administration/support	11.39:1	12.3: 1
Pupils: Management	167.00:1	146.00: 1
Pupils: Executive/Governance	254.13:1	259.56: 1
Income per Student	£8,949	£9,138
GAG Income per Student	£6,654	£6,802
Spend per Student	£8,734	£8,655
GAG Spend per Student	£6,727	£6,702
Average FTE Cost	£44,404	£35,407
Staffing costs as a percentage of Income	75%	71%
Staffing costs as a percentage of GAG Income	103%	95%

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

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.

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 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the EFA.

In accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), 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 2016, total expenditure of £11,301,004 was covered by recurrent grant funding from the EFA together with other incoming resources generated by the Academy.

The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension reserve) was £251,231. The fixed asset fund excess of expenditure over income for the year was (£599,617). Total excess of expenditure over income for the year is (£657,451).

At 31 August 2016 the net book value of fixed assets was £18,967,092; movements in tangible and intangible fixed assets are shown in notes 12 and 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, intervention, the expansion and embedding into delivery the research and development work and the expansion of our work with partners in learning to widen our work within the performing arts. Our work widening the breadth of the extended school provision, with the use of funding from Ormiston Trust of £125,000 continues to evolve as does the continuing drive to improving standard and staff training.

The main emphasis of our capital spend this year has been around ensuring all students and staff are equipped with their own personal device and ensuring the environment allows the use of this technology. We have also created a new community library/learning environment with a grant from the Wolfson Foundation.

This year the Academy has been fortunate to receive donated services in kind, to the value of £13,300 from Whole Education (£1,100), Microsoft (£5,800) Trend Uk (£5,500) and Artcam (£900) 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.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

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 £388,940 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. However, for this year to ensure the cost base for 16/17 can be sustained Trustees agreed to hold at least another £370,000.

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 £1,174,780 (£1,012,912 unrestricted and £161,868 restricted) of which Trustees are committed to holding £264,342 for contracts/orders agreed in 2015/2016 and £152,977 for ring fence funding to meet the cost of expanding the Trust. The level of uncommitted reserves as at August 2016 was £757,461. The level of reserves held are in line with the agreed reserves policy. In addition to the above the trading subsidiary has unrestricted reserves of £3,018.

Financial position

The Collegiate Academy Trust held balances at 31 August 2016 of £15,825,872, comprising; restricted fixed asset fund of £18,967,092 restricted general fund of £161,868, a pension reserve deficit of £4,316,000 and £1,012,912 of unrestricted funds.

Investment policy

The investment objectives of the Trust are:

- to achieve the best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- Only invest funds surplus to operational need based on all financial commitments being met without the Academy bank account becoming overdrawn.

Investment strategy

Investment risk will be managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation.

To ensure the security of any investment, assets will only be considered with banking institutions which have credit ratings assessed by Fitch, Moody and Standard and Poor's to show **good** credit in the short and long term. Investments will be based on the highest level of return but with the maximum protection to the funds. Investment within banking organisations will be made on both short and long term base. Short term deposits will allow immediate access to funds. Long term investment will be based on the annual cash flow and as such will be reviewed annually at the beginning of each academic year.

All investments other than in deposit accounts will be via an agreement with Sandwell MBC, who will invest on behalf of the Trust. This agreement only allows investment in "AA" rated organisation.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

Principal risks and uncertainties

The key risk to the CAT this year has been around planning, use of data and changes to the curriculum to meet the requirements of Progress 8, use of technology, maintenance of the ICT infrastructure, legislative compliance and capacity and growth within middle management, sitting clearly alongside the constraints of the core funding available from the DfE

The CAT operates a two tier risk strategy of strategic and operational risks. Trustees have responsibility for the strategic risk register. Some of the key future issues for the CAT are the deficit on the non-teaching staff

pension scheme, planning and growth of the Trust over the next 5 years including the phased opening of up to 5 Free schools, structural and managerial changes, legislative changes and compliance, contingency planning 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, environment and ICT management, changes to the curriculum and maintaining progress

Trustees have developed a clear 5 year strategy with phased growth and detailed marketing and communication strategy, linking into delivery planning and staff appraisals. At the heart of this strategy is the need to ensure the environment within the academy allows the delivery of a high quality and personalised curriculum that enabled all our students to succeed. To ensure success, we have developed process driven solutions that give consistency of approach and help minimise the overall impact of risks to the academy and the Trust. We will continue to work collaboratively with our local and neighbouring schools to achieve best use of resources and maximise value of all of our assets. Recruitment and retention of high quality staff with a clear path for progression will be central to our management approach. From September 2016 we intend to formalise the work we do with other schools and begin to offer a support service that will generate an income stream for the CAT, within our trading subsidiary – Shireland Learning Limited. This company will minimise the risk for the CAT. The strategic risk register shows clearly how we will deal with the issues and the monitoring in year ensure this is a proactive document.

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 concentrated this year on Senior Leadership team and delivery managers (middle managers). 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. This report has identified the need for the focus for the next academic year to ensure risk is evidenced within delivery plan and for an annual independent evaluation to be put into place.

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;

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE TRUSTEES
31 August 2016

- 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 65% being outstanding;
- Ensuring a bespoke curriculum, providing for each cohort and individual;
- Creating a stimulating Gifted and Talented Programme;
- Improving the use of language across the curriculum to support all learners particularly our EAL cohort;
- Improving the use of technology to support student progress and classroom delivery;
- Improving the quality of planning to ensure AfL and questioning is robust to reduced missed opportunities for enhanced progress;
- Refinement of marking and feedback to students;
- Creating a positive Environment for learning; physical and virtual;
- Careers and 11-21 planning;
- Business partnerships with local and National providers;
- Develop the presence of National Theatre Live and Shireland Theatre School;
- 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;
- Reduce the levels of Fixed Term Exclusions and Permanent Exclusions compared to 2015-16 by 10%;
- Further development of primary partnerships.

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

- Achieve a Progress 8 level between 0.35 and 0.5;
- All subjects to achieve at least 0.5 at Progress 8
- Attainment 8 to be between D and C
- Pupil Premium gap to be less than 0.25
- % English and Mathematics combined to be 50%-55%
- Achieve 15% of 3 A*/A grades
- Post 16 Success Rates – A2 A-E 95% - 100% (97)
- A2 A-C 55%-60% (51).
- A2 2A-B 25-30% (25)
- Academic APS be above 21.58
- Vocational APS be above 32.57
- Progress for retake ENG and MA to be 0.5

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)
REPORT OF THE TRUSTEES
31 August 2016

- Students to achieve, based on their scaled scores examinations result commensurate with their flight path to allow them to reach 0.5 past P8.

The focus for pupil premium (PP) which is estimated to be over £502,000 next academic year is:

- To further raise the levels of progress percentage beyond the current position, by the targeted interventions. To reduce the gap between PP and non PP students.
- To focus support for students who have failed to achieve a National Curriculum 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 the Trust 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, Moore Stephens, 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 13th December 2016 and signed on the board's behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Executive Principal

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31 August 2016

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 has met formally 6 times this year and the Audit Committee 3 times.

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

Trustee	Number of Meetings Attended	Out of a possible
A Savell-Boss (Chair)	6	6
M Grundy (Accounting Officer)	6	6
N Hussain	4	6
M Conway Jones	6	6
T Mulla	1	6
Z Akhtar	4	6
J Nair	4	6
K Egan	4	6
J Anandou	4	6

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 Anandou and M Zafar.

The main issues and challenges during the year related to the need to maintain outstanding provision within the context of levels of deprivation and reducing grant funding, the development of traded services through Shireland Learning, and the applications to become an Academy sponsor and to open Free Schools.

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.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31 August 2016

Governance (Continued)

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

Trustee	Number of Meetings Attended	Out of a possible
T Mulla Chair	2	3
A Savell-Boss	2	3
M Grundy	3	3
J Anandou	1	3
A Price (Governor appointed by LGB)	0	3
M Conway-Jones	3	3
J Nair	3	3
K Egan	1	3

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.

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

Trustee	Number of Meetings Attended	Out of a possible
A Savell-Boss (Chair)	3	3
M Grundy (Accounting Officer)	3	3
N Hussain	2	3
M Conway Jones	3	3
T Mulla	0	3
Z Akhtar	1	3
J Nair	1	3
K Egan	2	3
J Anandou	2	3

These meeting were held within the time allocated to the Board Meetings. The Chairperson of the Trust Board and the Executive Principal are not members of this committee but are in attendance.

Governance Review

On an annual basis the Trustees ask the Responsible Officer to complete an evaluation of the terms of reference to ensure that the responsibilities of committees have been discharged in year correctly. Trustees also engage the auditors to complete a half yearly review of controls and implementation of procedures to ensure adherence.

All new Trustees are asked to complete a skills matrix which 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.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31 August 2016

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.

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the to ensuring value for money and the processes that staff must follow in year. This statement clearly describes the key delivery mechanisms for achieving value for money including the linking of plans into the budget, purchasing arrangements to including a tendering process, and challenge by senior leaders. The statement directs all senior leaders to ensure value for money is demonstrated in all of the following areas:

- staffing
- use of accommodation
- use of assets
- quality of teaching
- quality of learning
- Students' welfare
- health and safety

In addition to this statement, the Academy continually seeks to work with national and local businesses to enhance its achievements, improve standards and collaborate to maximise use of all resources.

This year has seen a collaboration with; Tute to help develop provision for gifted and talented students and one to one supports, OCR to produce 6 mini research and development projects to improve teaching and learning and The Education Endowment Fund (EEF) to work with 24 partner primary schools to introduce the use of technology into maths, Microsoft to provide a learning environment to help collaboration and sharing within and across organisations. The Academy has also worked with Steljes, RM, SMART and Whole Education and 10 local primary schools

The Trust has also worked this year to provide school to school support and provide a curriculum support structure for key stage 3, a flipped learning solution for maths, along with support for local schools to share back office support services such as HR, Finance and ICT.

Value for money is also regularly monitored by the Responsible Officer on behalf of the board, as Trustees see this as integral to the achievements of the Academy

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 2016 and up to the date of approval of the annual report and financial statements.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31 August 2016

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 2016 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;
- 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 COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31 August 2016

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, to carry out a series of internal checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The reviewer 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 2015/2016. Mr Foyle produced termly detailed reports and reported directly to Trustees, throughout the year. In addition to this, Moore Stephens (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.

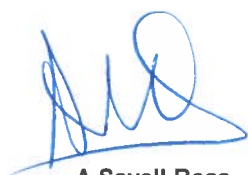
Review of Effectiveness

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 reviewer;
- 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).

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 13th December 2016 and signed on its behalf by:



A Savell-Boss
Chairman



Sir M Grundy
Accounting Officer


THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
31 August 2016

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 2015.

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 2015.

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



Sir M Grundy
Accounting Officer
13 December 2016

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
31 August 2016

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:

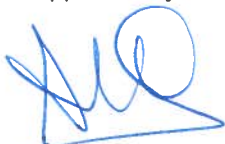
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS102] 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.

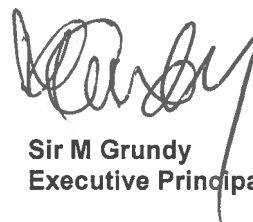
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have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

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 13th December 2016 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**

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

We have audited the consolidated financial statements of The Collegiate Academy Trust for the year ended 31 August 2016 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable School'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 School'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 School and its members, as a body for our audit work, for this report, or for the opinion 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 charitable School for the purposes of company law) are responsible for the preparation of the financial statements 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 School'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.

Opinion on financial statements

In our opinion the financial statements:

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

**THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)**

**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)

Opinion on other matter prescribed by the Companies Act 2006

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

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
- 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 MOORE STEPHENS LLP (Statutory Auditor)
Chartered Accountants and Statutory Auditor
Birmingham

Date: 13/12/2016

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**

**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 23 June 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Collegiate Academy Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The 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 Accounting Officer and the Reporting Accountant

The accounting officer is responsible, under the requirements of The Collegiate Academy Trust funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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.

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

We have undertaken testing as appropriate in accordance with the Academies Accounts Direction 2015 to 2016. This includes an evaluation of the control environment of the school, enquiry, analytical review and substantive testing.

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**

**Independent Reporting Accountant's Assurance Report on Regularity to The Collegiate Academy Trust
and the Education Funding Agency (continued)**

Our procedures included, but not limited to the following:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the School's purposes and are appropriately authorised;
- Sample testing on credit card expenditure, review for any indication of purchase for personal use by staff, Head or Governors;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the School;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation.

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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Moore Stephens LLP
Chartered Accountants
Birmingham

Date: 13/12/2016.

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 2016

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	3	8,847	-	-	8,847	15,828
Activities for generating funds	4,6	1,261,555	463,416	-	1,724,971	1,660,412
Investment income	5	3,536	-	-	3,536	3,574
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	6	-	8,724,320	181,879	8,906,199	16,066,740
Total incoming resources		1,273,938	9,187,736	181,879	10,643,553	17,746,554
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		926,089	618,364	62,527	1,606,980	1,321,711
<i>Charitable activities:</i>						
Academy's educational operations	8	-	8,975,055	718,969	9,694,024	9,312,310
Total resources expended	7	926,089	9,593,419	781,496	11,301,004	10,634,021
Net incoming/(outgoing) resources before transfers		347,849	(405,683)	(599,617)	(657,451)	7,112,533
Gross transfers between funds Capital	18	-	(193,397)	193,397	-	-
Gross transfers between funds Revenue		(40,682)	40,682	-	-	-
Net income/(outgoing) resources before other recognised gains/losses		307,167	(558,398)	(406,220)	(657,451)	7,112,533
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	(2,171,000)	-	(2,171,000)	(387,000)
Revaluation of buildings		-	-	-	-	3,357,738
Net movement in funds		307,167	(2,729,398)	(406,220)	(2,828,451)	10,083,271
Total funds brought forward		708,763	(1,424,734)	19,373,312	18,657,341	8,574,070
Funds carried forward at 31 August 2016		1,015,930	(4,154,132)	18,967,092	15,828,890	18,657,341

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 2016

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	3	8,847	-	-	8,847	15,828
Activities for generating funds	4	1,261,602	463,416	-	1,725,018	1,659,985
Investment income	5	3,536	-	-	3,536	3,574
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	6	-	8,724,320	181,879	8,906,199	16,066,740
Total incoming resources		1,273,985	9,187,736	181,879	10,643,600	17,746,127
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		926,089	618,364	62,527	1,606,980	1,321,711
<i>Charitable activities:</i>						
Academy's educational operations	8	-	8,975,055	718,969	9,694,024	9,312,310
Total resources expended	7	926,089	9,593,419	781,496	11,301,004	10,634,021
Net incoming/(outgoing) resources before transfers		347,896	(405,683)	(599,617)	(657,404)	7,112,106
Gross transfers between funds - Capital		-	(193,397)	193,397	-	-
Gross transfers between funds - Revenue	18	(40,682)	40,682	-	-	-
Net income/(outgoing) resources before other recognised gains/losses		307,214	(558,398)	(406,220)	(657,404)	7,112,106
Other recognised gains/losses						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	(2,171,000)	-	(2,171,000)	(387,000)
Revaluation of buildings		-	-	-	-	3,357,738
Net movement in funds		307,214	(2,729,398)	(406,220)	(2,828,404)	10,082,844
Total funds brought forward		705,698	(1,424,734)	19,373,312	18,654,276	8,571,432
Funds carried forward at 31 August 2016		1,012,912	(4,154,132)	18,967,092	15,825,872	18,654,276

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 STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the income and expenditure account) for the year ended 31 August 2015

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income	3	15,828	-	-	15,828
Activities for generating funds	4,6	1,067,160	593,252	-	1,660,412
Investment income	5	3,575	-	-	3,574
<i>Incoming resources from charitable activities:</i>					
Funding for the Academy's educational operations	6	-	8,994,149	7,072,591	16,066,740
Total incoming resources		1,086,562	9,587,401	7,072,591	17,746,554
Resources expended					
<i>Cost of generating funds:</i>					
Costs of generating voluntary income		849,571	406,230	65,910	1,321,711
<i>Charitable activities:</i>					
Academy's educational operations	8	-	8,554,342	757,968	9,312,310
Total resources expended	7	849,571	8,960,572	823,878	10,634,021
Net incoming/(outgoing) resources before transfers		236,991	626,829	6,248,713	7,112,533
Gross transfers between funds		(54,976)	(346,928)	401,904	-
Net income/(outgoing) resources before other recognised gains/losses		182,015	279,901	6,650,617	7,112,533
Other recognised gains/losses					
Actuarial gains/(losses) on defined benefit pension schemes		-	(387,000)	-	(387,000)
Revaluation of buildings		-	-	3,357,738	3,357,738
Net movement in funds		182,015	(107,099)	10,008,355	10,083,271
Total funds brought forward		526,748	(1,317,635)	9,364,957	8,574,070
Funds carried forward at 31 August 2016		708,763	(1,424,734)	19,373,312	18,657,341

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)

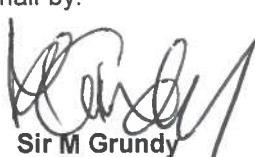
Consolidated Balance Sheet

as at 31 August 2016

	Note	2016	2015
Fixed assets			
Tangible assets	13	18,870,504	19,359,971
Intangible assets	12	96,588	13,254
		<u>18,967,092</u>	<u>19,373,225</u>
Current assets			
Stock	15	26,685	22,486
Debtors	16	423,085	649,574
Cash on short term deposit		500,000	300,000
Cash at bank and in hand		<u>1,252,032</u>	<u>894,172</u>
Total current assets		<u>2,201,802</u>	<u>1,866,232</u>
Liabilities:			
Creditors: Amounts falling due within one year	17	<u>(1,024,004)</u>	<u>(747,116)</u>
Net current assets		<u>1,177,798</u>	<u>1,119,116</u>
Total assets less current liabilities excluding pension liability		20,144,890	20,492,341
Pension scheme liability	27	<u>(4,316,000)</u>	<u>(1,835,000)</u>
Net assets including pension liability		<u>15,828,890</u>	<u>18,657,341</u>
Funds of the academy:			
Restricted funds			
Fixed asset fund – Assets	18	18,967,092	19,373,312
General fund	18	161,868	410,266
Pension Reserve	18	<u>(4,316,000)</u>	<u>(1,835,000)</u>
		14,812,960	17,948,578
Unrestricted funds			
General fund	18	<u>1,015,930</u>	<u>708,763</u>
Total Funds		<u>15,828,890</u>	<u>18,657,341</u>

The financial statements on pages 32 to 59 were approved by the Governors, and authorised for issue on 13th December 2016 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 2016

	Note	2016	2015
Fixed assets			
Tangible assets	13	18,870,504	19,359,971
Intangible assets	12	<u>96,588</u>	<u>13,254</u>
		18,967,092	19,373,225
Current assets			
Stock	15	26,685	22,486
Debtors	16	423,085	649,574
Cash on short term deposit		500,000	300,000
Cash at bank and in hand		<u>1,249,014</u>	<u>891,107</u>
		2,198,784	1,863,167
Creditors: Amounts falling due within one year	17	<u>(1,024,004)</u>	<u>(747,116)</u>
Net current assets		<u>1,174,780</u>	<u>1,116,051</u>
Total assets less current liabilities excluding pension liability		20,141,872	20,489,276
Pension scheme liability	27	<u>(4,316,000)</u>	<u>(1,835,000)</u>
Net assets including pension liability		<u>15,825,872</u>	<u>18,654,276</u>
Funds of the academy:			
Restricted funds			
Fixed asset fund	18	18,967,092	19,373,312
General fund	18	161,868	410,266
Pension Reserve	18	<u>(4,316,000)</u>	<u>(1,835,000)</u>
		14,812,960	17,948,578
Unrestricted funds			
General fund	18	<u>1,012,912</u>	<u>705,698</u>
		<u>15,825,872</u>	<u>18,654,276</u>

The financial statements on pages 32 to 59 were approved by the Governors, and authorised for issue on 13th December 2016 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 2016

	Notes	2016 £	2015 £
Net cash inflow/(outflow) from operating activities	22	641,098	562,637
Cash flows from investing activities	23	(83,268)	(590,317)
Increase/(decrease) in cash in the year	24	557,860	(27,680)
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2015		1,194,172	1,221,852
Net funds at 31 August 2016		1,752,032	1,194,172

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2016

1. Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Collegiate Academy Trust meets the definition of a public benefit entity under FRS 102.

The Academy Trust is a Company limited by guarantee. It is registered in England and Wales and its registered number is 06336693.

Going Concern

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

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 2016.

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

- **Sponsorship income**

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2016

1. Statement of Accounting Policies (continued)

Incoming Resources (continued)

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

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor will be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.
- **Interest Receivable**
Interest receivable is included in the Statement of Financial Activities on an accruals basis.

Resources Expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Costs of generating funds**
This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**
These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.
- **Governance Costs**
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.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2016

1. Statement of Accounting Policies (continued)

Tangible Fixed Assets

Assets costing £5,000 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 £5,000 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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%
Leasehold property	2%
Furniture and equipment	10%
Computer equipment and software	20 %
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.

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation

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

- Purchased computer software 20%

Liabilities

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2016

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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, ICT hardware, fuel, oil, electrical stock 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 Trust 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 there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes,

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Principal accounting policies
31 August 2016

1. Statement of Accounting Policies (continued)

Pensions Benefits (continued)

settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund Accounting

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

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

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

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognized in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 30.

Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2016 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 2016.

3. Voluntary Income – Group and Company

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Curriculum income	-	-	-	15,828
Private sponsorship	8,847	-	8,847	-
	<u>8,847</u>	<u>-</u>	<u>8,847</u>	<u>15,828</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

4. Activities for Generating Funds – Group

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Nursery	377,095	-	377,095	381,469
EEF	-	111,375	111,375	147,734
Extended Services	-	56,210	56,210	174,154
Extended services – Ormiston Inc	-	125,000	125,000	-
Human Resources	212,857	-	212,857	194,298
OCR	120,000	-	120,000	47,930
E-learning activities	41,618	-	41,618	39,699
Catering	84,216	-	84,216	78,435
FAC finance	69,233	-	69,233	73,622
Contribution to visits	64,652	-	64,652	47,441
Teaching Income	40,684	-	40,684	40,192
Secondment Income	-	-	-	69,410
Safeguarding	25,724	-	25,724	18,033
Teacher Training Agency	-	600	600	2,400
Other	153,041	-	153,041	35,993
Technicians	47,043	-	47,043	40,211
DT Trading	17,083	-	17,083	-
Other income – Minibus income	2,603	-	2,603	-
Uniform Income	1,350	-	1,350	-
Exam fees	1,336	-	1,336	-
FlipCon	-	16,164	16,164	-
Miscellaneous	3,020	-	3,020	427
	<u>1,261,555</u>	<u>309,349</u>	<u>1,570,904</u>	<u>1,391,448</u>

5. Investment Income – Group and company

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Bank interest receivable	3,536	-	3,536	3,574
	<u>3,536</u>	<u>-</u>	<u>3,536</u>	<u>3,574</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

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

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
DfE/UPLA capital grant				
Devolved Formula Capital allocations – DfE	-	24,316	24,316	23,105
Other Capital – Unrestricted	50,763	-	50,763	-
Other Capital - Donations	-	106,800	106,800	-
	<u>50,763</u>	<u>131,116</u>	<u>181,879</u>	<u>23,105</u>
DfE/YPLA revenue grants				
General Annual Grant (GAG) (note 2)	-	7,778,762	7,778,762	7,944,179
Pupil premium	-	502,583	502,583	494,927
Pupil premium – catch-up	-	15,000	15,000	33,500
Pupil premium - award	-	-	-	100,000
Teaching School	-	46,000	46,000	71,198
Teaching School Direct	-	207,000	207,000	152,845
School to School	-	22,500	22,500	25,000
Bursary 16-18 Release	-	1,200	1,200	-
Summer School	-	4,500	4,500	49,500
Head Teach Grant	-	23,000	23,000	23,000
Free school grant	-	73,775	73,775	-
Sponsor Capacity grant	-	50,000	50,000	-
Leisure facilities	-	-	-	100,000
	<u>-</u>	<u>8,724,320</u>	<u>8,724,320</u>	<u>8,994,149</u>
Other Government grants				
High Cost pupils	-	135,405	135,405	119,414
Pupil growth	-	8,626	8,626	142,050
LEA Standard fund	-	6,860	6,860	7,500
Other Government grants	-	3,176	3,176	7,049,486
	<u>-</u>	<u>154,067</u>	<u>154,067</u>	<u>7,318,450</u>
	<u>50,763</u>	<u>9,009,503</u>	<u>9,060,266</u>	<u>16,335,704</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

7. Resources Expended – Group and Company

	Staff Costs £	Premises £	Other Costs £	Total 2016 £	Total 2015 £
Costs of generating voluntary income	1,052,354	62,526	492,100	1,606,980	1,321,711
Academy's educational operations					
Direct Costs	5,433,505	578,374	854,854	6,866,733	6,447,759
Allocated support costs (Note 8)	1,854,960	557,670	414,661	2,827,291	2,864,551
	<u>8,340,819</u>	<u>1,198,570</u>	<u>1,761,615</u>	<u>11,301,004</u>	<u>10,634,021</u>

The method used for the apportionment of support costs is disclosed in the accounting policies on page 35.

Incoming/outgoing resources for the year include:	2016 £	2015 £
Operating leases - other	26,302	25,511
Fees payable to the auditor - audit	11,500	11,349
Fees payable to the auditor – other	16,568	15,075
Profit on disposal of fixed assets	-	5,213
	<u>54,370</u>	<u>57,148</u>

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

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

	Total 2016 £	Total 2015 £
Direct costs		
Teaching and educational support staff costs	5,433,505	4,962,186
Depreciation	578,374	609,670
Books, apparatus and stationery	299,251	365,794
Examination fees	133,406	130,536
Staff development	101,648	104,743
Educational consultancy	23,507	19,111
Other direct costs	297,042	255,719
	6,866,733	6,447,759
Allocated support costs		
Support staff costs	1,844,471	1,757,405
Depreciation	140,595	148,298
Pupil recruitment and support	102,263	64,131
Maintenance of premises and equipment	89,118	110,447
Cleaning	20,453	22,728
Rent & rates	68,597	60,426
Heat and light	138,224	143,863
Insurance	43,864	49,471
Security	56,818	85,727
Transport	39,312	31,825
Catering	83,541	92,495
Technology costs	104,325	112,968
Bank interest and charges	1,830	1,444
Other support costs	61,063	155,837
Legal and professional fees	16,568	11,326
Auditors remuneration		
Audit of financial statements	11,500	11,500
Other audit costs	3,800	3,600
Governors' reimbursed expenses/ training courses	949	1,060
	2,827,291	2,864,551
Total direct and support costs	9,694,024	9,312,310

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

9. Staff**a. Staff costs**

Staff costs during the year were:	2016	2015
	£	£
Wages and salaries	6,396,641	6,184,359
Social security costs	543,520	482,340
Other pension costs	837,426	728,257
Defined benefit pension scheme adjustment	310,000	103,000
	<u>7,777,587</u>	<u>7,497,956</u>
Staff restructuring costs	66,696	31,000
Agency staff	186,535	151,053
	<u>8,340,819</u>	<u>7,680,009</u>

b. Staff severance payments

Included in staff restructuring costs are non statutory/non contractual payments totalling £66,696 (2015 - £31,000), individually for seven staff £9,244; £14,270; £12,885; £15,253; £4,488; £1,834 and £8,724.

c. Staff numbers

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

Charitable activities	2016	2015
	No.	No.
Teachers	117	117
Administration and support	153	156
Management	5	6
	<u>275</u>	<u>279</u>
Total	275	279

d. Higher paid staff

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

	2016	2015
	No.	No.
£60,001 - £70,000	1	2
£70,001 - £80,000	1	0
£80,001 - £90,000	1	1
£170,001 - £180,000	1	1
	<u>4</u>	<u>4</u>

e. Key management personnel

The Key Management personnel of the academy comprise the trustees and the Executive management team as listed on page 1 plus the senior leadership of SCA

The total amount of employee benefits including pension contributions for ELT was £528,000 (2015: £554,000) and for Senior Leadership of SCA £447,400 (2015:£435,400) - movement due to secondment for 3 months

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

10. 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 counts when calculating whether a quorum of trustees is present at the meeting.
- The other trustees are satisfied that it is in the best interests of the charitable company to employ or contract with that trustee rather than with someone who is not a trustee. In reaching that decision the trustees must balance the advantage of employing a trustee against the disadvantages of doing so (especially the loss of the trustees services as a result of dealing with the trustees 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 the trustees received reimbursements (2015: none) for travel and subsistence totalling £211.20 (one Trustee).

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): Remuneration £175,000 - £180,000 (2015: £175,000 - £180,000)
 Pension £25,000 - £30,000 (2015: £20,000 - £25,000)

Other related party transactions are set out in note 28.

11. 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 £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was £663 (2015: £1,905).

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 2016

12. Intangible Fixed Assets – Group and Company

	Computer Software £	Total £
Cost		
At 1 September 2015	45,312	45,312
Additions - donated	106,800	106,800
Additions	5,966	112,766
At 31 August 2016	<u>158,078</u>	<u>158,078</u>
Depreciation		
At 1 September 2015	32,058	32,058
Charged in year	29,432	29,432
At 31 August 2016	<u>61,490</u>	<u>61,490</u>
Net book values		
At 31 August 2016	<u>96,588</u>	<u>96,588</u>
At 31 August 2015	<u>13,254</u>	<u>13,254</u>

13. Tangible Fixed Assets – Group and Company

	Leasehold land and buildings £	Furniture and Equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2015	18,626,361	457,703	3,170,637	29,016	22,283,717
Additions	65,575	24,555	172,557	-	262,687
At 31 August 2016	<u>18,691,936</u>	<u>482,258</u>	<u>3,343,194</u>	<u>29,016</u>	<u>22,546,404</u>
Depreciation					
At 1 September 2015	348,527	248,906	2,304,571	21,742	2,923,746
Charged in year	349,839	37,319	359,193	5,803	752,154
At 31 August 2016	<u>698,366</u>	<u>286,225</u>	<u>2,663,764</u>	<u>27,545</u>	<u>3,675,900</u>
Net book values					
At 31 August 2016	<u>17,993,570</u>	<u>196,033</u>	<u>679,430</u>	<u>1,471</u>	<u>18,870,504</u>
At 31 August 2015	<u>18,277,834</u>	<u>208,797</u>	<u>866,066</u>	<u>7,274</u>	<u>19,359,971</u>

Included within the net book value of Leasehold Land is land not depreciated of £810,893 (2015: £810,893).

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

14. Investments

	2016	2015
	£	£
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 online learning environment.

A summary of the results and that balance sheet position of SLL for the year ended 31 August 2016 is shown below:

	Year ended 31 August 2016	Year ended 31 August 2015
	£	£
Profit and loss account		
Profit for the period	(47)	427
Balance sheet		
Current assets	3,018	3,065
Current liabilities	-	-
	3,018	3,065
Represented by		
Profit and loss account b/f	3,065	2,638
Profit for the year	(47)	427
Members' funds	3,018	3,065

The audit reports for the year ended 31 August 2016 and the year ended 31 August 2015 were both unqualified.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

15. Stock

	2016 Group £	2016 Company £	2015 Group £	2015 Company £
ICT Equipment	2,549	2,549	-	-
ICT consumables	3,318	3,318	1,416	1,416
Fuel Oil	2,841	2,841	1,306	1,306
Resources	1,190	1,190	1,999	1,999
Stationery	2,238	2,238	2,818	2,818
Catering	1,569	1,569	2,116	2,116
Electrical	6,474	6,474	5,688	5,688
Cleaning	6,506	6,506	7,143	7,143
	<u>26,685</u>	<u>26,685</u>	<u>22,486</u>	<u>22,486</u>

16. Debtors

	2016 Group £	2016 Company £	2015 Group £	2015 Company £
Trade debtors	96,723	96,723	163,734	163,734
Prepayments and accrued income	241,886	241,886	166,740	166,740
VAT recoverable	72,452	72,452	99,631	99,631
Sundry debtors	12,024	12,024	219,469	219,469
	<u>423,085</u>	<u>423,085</u>	<u>649,574</u>	<u>649,574</u>

17. Creditors: amounts falling due within one year

	2016 Group £	2016 Company £	2015 Group £	2015 Company £
Trade creditors	197,436	197,436	130,0469	130,0469
Taxation and social security	166,213	166,213	153,121	153,121
Pension	109,867	109,867	104,019	104,019
Other creditors	1,629	1,629	42,488	42,488
Accruals and deferred income	548,859	548,859	317,442	317,442
	<u>1,024,004</u>	<u>1,024,004</u>	<u>747,116</u>	<u>747,116</u>

Deferred income

	2016 £
Deferred income at 1 September 2015	213,255
Resources expended for the year	(213,255)
Deferred income for current year	340,896
Deferred Income at 31 August 2016	<u>340,896</u>

Deferred income at 31 August 2016 relates to Teaching school funding, trips and trading income for Human Resources, finance, safeguarding, technicians, e-learning and mathsflip, devolved formula capital, sandwell mentor funding, free school grant and nursery parents relating to the next financial year.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

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 2015 £	Incoming resources £	Resources expended £	Gains/ (losses) and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant (GAG)	115,779	7,778,762	(7,679,300)	(184,847)	30,394
Other EFA/DfE grants	100,000	945,558	(985,665)	40,682	100,575
LA grants - High cost pupils	194,487	154,067	(335,154)	-	13,400
Other restricted - projects	-	309,349	(283,210)	(8,640)	17,499
Pension reserve	(1,835,000)	-	(310,000)	(2,171,000)	(4,316,000)
	<u>(1,424,734)</u>	<u>9,187,736</u>	<u>(9,593,329)</u>	<u>(2,323,805)</u>	<u>(4,154,132)</u>
Restricted fixed asset funds					
LA Donations 01/09/07	17,425,969	-	(328,306)	-	17,097,663
EFA/DfE capital grants	198,354	24,316	(60,662)	-	162,008
Capital expenditure from GAG	926,216	-	(234,971)	184,847	876,092
Capital expenditure from Unrestricted funds	695,981	50,763	(90,543)	-	656,201
Other Capital Grants	53,642	-	(3,410)	-	50,232
Other income (restricted)/ donations	73,150	106,800	(63,694)	8,640	124,896
	<u>19,373,312</u>	<u>181,879</u>	<u>(781,586)</u>	<u>193,487</u>	<u>18,967,092</u>
Total restricted funds	<u>17,948,578</u>	<u>9,369,615</u>	<u>(10,374,915)</u>	<u>(2,130,318)</u>	<u>14,812,960</u>
Unrestricted general funds					
General funds	705,698	1,273,985	(926,089)	(40,682)	1,012,912
Trading subsidiary	3,065	-	(47)	-	3,018
Total unrestricted funds	<u>708,763</u>	<u>1,273,985</u>	<u>(926,136)</u>	<u>(40,682)</u>	<u>1,015,930</u>
Total funds	<u>18,657,341</u>	<u>10,643,600</u>	<u>(11,301,051)</u>	<u>(2,171,000)</u>	<u>15,828,890</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

18. Restricted Funds – continued

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.

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 2016. 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. Free school and Sponsor capacity grant – to fund the expansion of the MAT and fund costs associated with the setting up of a free school
- e. Pension reserve – represents the surplus/ (deficit) in the Local Government Pension Scheme.
- f. 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 2016 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Trading subsidiary reserves £	Total Funds £
Tangible fixed assets	-	-	18,967,092	-	18,967,092
Current assets	1,197,824	1,000,960	-	3,018	2,201,802
Current liabilities	(184,912)	(839,092)	-	-	(1,024,004)
Pension scheme liability	-	(4,316,000)	-	-	(4,316,000)
Total net assets	1,012,912	(4,154,132)	18,967,092	3,018	15,828,890

20. Capital commitments

	2016 £	2015 £
Authorised by trustees, but not yet contracted	65,652	50,533

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

21. Financial commitments

At 31 August 2016 the Academy had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Other Operating Leases		
Expiring within one year	26,302	31,766
Expiring within two and five years inclusive	5,464	5,464

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

	2016 £	2015 £
Net income/(expenditure) for the period (as per the statement of financial activities)	(657,451)	7,112,533
Depreciation /profit and loss on disposal (Note 13)	781,586	823,878
Donated assets	(106,800)	(7,049,486)
Capital grants from DfE and other capital income	(181,879)	(23,105)
Loss/(Profit) on disposal of fixed assets	-	6,434
Interest receivable	(3,536)	(3,574)
Defined benefit pension scheme cost less contributions payable (Note 27)	237,000	141,000
Defined benefit pension scheme finance cost (Note 27)	73,000	(38,000)
(Increase)/decrease in stocks	(4,199)	(3,759)
(Increase)/decrease in debtors	226,490	60,108
Increase/(decrease) in creditors	276,887	(463,392)
Net cash inflow from operating activities	<u>641,098</u>	<u>562,637</u>

23. Cashflows from investing activities

	2016 £	2015 £
Interest received	3,536	3,574
Purchase of intangible fixed assets	(5,996)	-
Purchase of tangible fixed assets	(262,687)	(616,996)
Capital funding received from sponsors and others	157,563	
Capital grants from EFA/DfE	24,316	23,105
Net cash inflow from returns on investment and servicing of finance	<u>(83,268)</u>	<u>(590,317)</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

24. Analysis of changes in net funds

	At 1 September 2015 £	Cash flows £	At 31 August 2016 £
Cash in hand and at bank	894,172	357,860	1,252,032
Current asset investments	300,000	200,000	500,000
	<u>1,194,172</u>	<u>557,860</u>	<u>1,752,032</u>

25. 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.

26. 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.

27. Pension obligations

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

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

Contributions amounting to £111,496 were payable to the schemes at 31 August 2016 (2015: £101,019) and are included within creditors.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

27. Pension obligations – continued

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.

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £659,414 (2015: £528,796).

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

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

27. Pension obligations – continued

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £313,000 (2015: £263,000), of which employer's contributions totalled £188,000 (2015: £165,000) and employees' contributions totalled £125,000 (2015: £98,000). The agreed contribution rates for future years are 10.7% for employers and depending on salary 5.5% - 7.5% for employees.

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

Principal Actuarial Assumptions

	At 31 August 2016	At 31 August 2015
	%	%
Rate of increase in salaries	3.75	4.15
Rate of increase in pensions	2.00	2.40
Discount rate for liabilities	2.20	4.00
CP Inflation Assumption	2.00	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	23.1	23.0
Females	25.8	25.2

Retiring in 20 years

Males	25.3	25.6
Females	28.1	28.0

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

27. Pension obligations – continued

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

	Fair value at 31 August 2016 £	Plan assets at 31 August 2015 £
Equities	4,002,000	3,253,000
Government Bonds	468,000	403,000
Other Bonds	577,000	550,000
Property	537,000	462,000
Other	728,000	501,000
Cash/liquidation	<u>433,000</u>	<u>272,000</u>
Total market value of assets	6,745,000	5,441,000
Present value of scheme liabilities	<u>(11,061,000)</u>	<u>(7,276,000)</u>
(Deficit) in the scheme	<u>(4,316,000)</u>	<u>(1,835,000)</u>

The actual return on the scheme assets in the year was £1,071,000 (2015: £233,000).

Amount recognised in the statement of financial activities	2016	2015
	£	£
Current service cost	237,000	308,000
Net interest cost	73,000	57,000
Total pension cost recognised in statement of financial activities	<u>310,000</u>	<u>365,000</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

27. Pension obligations – continued

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

	2016	2015
	£	£
At 1 September 2015	7,276,000	6,347,000
Current service cost	425,000	306,000
Interest cost	292,000	261,000
Member contributions	125,000	98,000
Actuarial (gains)/loses	3,023,000	320,000
Benefits paid	(80,000)	(57,000)
Curtailments	-	1,000
At 31 August 2016	<u>11,061,000</u>	<u>7,276,000</u>

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

At 1 September 2015	5,441,000	5,002,000
Interest income	219,000	203,000
Return on plan assets (excluding net interest)	852,000	30,000
Employer contribution	188,000	165,000
Member contribution	125,000	98,000
Benefit paid	(80,000)	(57,000)
At 31 August 2016	<u>6,745,000</u>	<u>5,441,000</u>

28. 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.

THE COLLEGIATE ACADEMY TRUST
(Company limited by Guarantee)

Notes to the Financial Statements
31 August 2016

29. First time adoption of FRS 102

These financial statements are the first financial statements of The Collegiate Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP (SORP 2015). The financial statements of The Collegiate Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005. The date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014.

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not had a material impact on the Statement of Financial Activities or Balance Sheet.

30. Agency Payments

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received £30,364 and disbursed £24,169 from the fund. An amount of £6,195 relates to undistributed funds.