

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI ACADEMY TRUST, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Trustees** M Friday, Chair  
C Saunders  
M Webster (resigned 13 March 2014)  
L Hancock

All the Trustees listed above (excluding M Webster) are also Directors of the Company Limited by Guarantee.

**Company registered number** 08331385

**Principal and registered office** Castle Phoenix Trust  
Axholme Road  
Wyken  
Coventry  
CV2 5BD

**Company secretary** H Harrison

**Chief executive officer** M Marr

**Senior management team** CALUDON CASTLE  
Michele Marr, CEO  
Ann Dudgeon, Associate Head  
Sue Webb, Senior Deputy Head  
Caroline Waring, Deputy Head  
Ann Rayns, Deputy Head  
Andrew Morgan, Deputy Head  
Alison Gallagher, Senior Assistant Head  
Helen Harrison, Director of Finance

HILL FARM  
Claire Jones, Headteacher  
Vicky Muir, Assistant Head  
Liz Leetch, Assistant Head  
Avril Taylor, Assistant Head  
Terri Hendrix, Associate Assistant Head

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

**Bankers** Lloyds Bank PLC  
30 High Street  
Coventry  
West Midlands  
CV1 5RA

**Solicitors** Browne Jacobson LLP  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2014**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2014. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates<sup>1</sup> primary academy and 1 secondary academy in Coventry. The secondary academy, Caludon Castle, has a capacity of 1,445, with 1,530 on roll. The primary academy, Hill Farm, has a capacity of 708, with 576 on roll.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Multi Academy Trust was incorporated on 19 December 2012 and opened as an Academy on 1 February 2013. On 19 August 2013 the name of the Academy was changed and registered as Castle Phoenix Trust in preparation of opening as a Multi Academy Trust on the 1 September 2013. Castle Phoenix Trust is a company limited by guarantee and an exempt charity. The Director of Finance is also the Company Secretary. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Multi Academy Trust.

The Board of Trustees (also referred to as Board of Directors in the report/Terms of Reference) of Castle Phoenix Trust are also the Directors of the Charitable Company for the purposes of company law. The Governors sit on the HR & Governance Committee, Finance & Resources Committee and Local Governing Body Committees of Caludon Castle School and Hill Farm Primary. The Charitable Company is known as Castle Phoenix Trust.

Details of the Trustees/Governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

**Members' liability**

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

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Multi Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Multi Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Multi Academy Trust. The limit of this indemnity is £25million.

In accordance with normal commercial practice the Multi Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Multi Academy Trust business. The insurance provides cover up to £5 million on any one claim.

**TRUSTEES**

**Method of recruitment and appointment or election of Trustees**

On 1 February 2013 the Board of Trustees appointed all those Governors of Caludon Castle that served the predecessor school to be Governors of the newly formed Multi Academy Trust. These Governors were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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The Multi Academy Trust's Board of Directors and other Governors Committees, as set out in the Term of Reference, Articles of Association and Funding Agreement:

- up to 7 Parent Governors who are elected by parents of registered pupils at Caludon Castle School or Hill Farm Primary;
- up to 2 staff Governors appointed by the Board of Directors;
- up to 7 Community Governors who are appointed by the Board of Directors;
- the Chief Executive who is treated for all purposes as being an ex officio Governor; and
- the Members may appoint up to 1 Governor save that no more than one third of the total number of individuals appointed as Governors shall be employees of the Multi Academy Trust (including the Chief Executive).

Trustees/Governors are appointed for a four year period, except that this time limit does not apply to the Chief Executive. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected.

When appointing new Governors, the Board of Directors will give consideration to the skills and experience mix of existing Governors in order to ensure that the Trustees/Governors, have the necessary skills to contribute fully to the Multi Academy Trust development.

**Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees/Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees/Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees/Governors. As there are normally only two or three new Trustees/Governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**Organisational Structure**

The Board of Directors will meet three times a year. The Board establishes an overall framework for the governance of the Academies and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings.

There are 3 committees as follows:

**Finance and Resources Committee** - this meets at least three times a year and has an overall purpose of:

- Setting the standards for the delivery of all financial and business support services across the Multi Academy Trust and keeping them under review.
- Agreeing all financial and business support policies and keeping them under review monitoring key financial and business support services performance indicators across the Multi Academy Trust adding an additional level of more detailed scrutiny to the Board of Directors' responsibility for setting and reviewing performance, benchmarking internally and externally, and directing corrective action where necessary.
- Considering and making recommendations to the Board of Directors on compliance with all regulatory and other financial reporting requirements.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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The core functions of the Committee are:

- Finance –
  - Reviewing and recommending to the Board of Directors the budget strategy for the coming year.
  - Monitoring the Multi Academy Trust's performance against budget and alert the Board of Directors to any significant variances.
  - Ensuring that the Multi Academy Trust's assets are protected by the maintenance of adequate insurance cover.
  - Keeping the bank mandate and banking provision under review.
  - Reviewing and recommending Treasury Management Policy to the Board of Directors.
  - Maintaining the stability of the Multi Academy Trust's financial position by monitoring the cash flow and ensuring the effectiveness of financial controls.
- Procurement and Value for Money –
  - Developing and agreeing the Multi Academy Trust's strategies for procurement and value for money.
  - Agreeing procurement policies in relation to pre-tender, tender, and post tender processes.
  - Monitoring compliance in relation to procurement and measure the effectiveness of procurement processes and other efficiency measures in delivering value for money.
- Communications –
  - Developing and agreeing the Multi Academy Trust's strategies for information technology, internal communications and public relations.
  - Considering and agreeing any capital investments in IT ensuring that there is a robust business case which demonstrates value for money and a clear project management structure.
  - Reviewing the Multi Academy Trust's business continuity plan, risk management and disaster recovery arrangements.
- Health and Safety –
  - Developing and recommending to the Board of Directors the Multi Academy Trust's statutory health and safety policy.
  - Establishing and monitoring the implementation of the Multi Academy Trust's health and safety framework.
  - Ensuring that the Multi Academy Trust is meeting its statutory obligations concerning health and safety.
  - Nominating a member of the committee to be the health and safety champion for the Multi Academy Trust who will play an active advisory role to support the Executive Management Team in their leadership of staff health and safety forums; ensuring that the processes designed to support Directors in discharging their health and safety duties are robust and implemented effectively.
- Facilities Management –
  - Ensuring that the Multi Academy Trust is accommodated, equipped and administered to provide efficient, effective and economic services.

TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014

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**HR & Governance Committee** - this meets at least three times a year and has an overall purpose of:

- Developing a strategy for the employment of staff and all strategic issues relating to staff salary and benefit packages.
- To consider issues relating to the contracts of employment for the Chief Executive, Headteacher, and other members of each academy's senior leadership team including the review of salary, benefits and appraisal.
- To oversee processes for the recruitment, induction, appraisal and training of all directors, governors and committee members.
- To keep under review the skills, knowledge and experience on the board, local governing bodies and all board committees and advise the board of directors on succession planning and renewal.
- To oversee the Multi Academy Trust's strategy in relation to equality, diversity and inclusion.
- To support the Board of Directors in providing an added level of scrutiny in the monitoring of finance and resources.
- To support the Board of Directors in providing an added level of scrutiny in the monitoring of finance and resources.

The core functions of the Committee are:

- Human Resources – General –
  - Developing and recommending to the Board of Directors for approval, the Multi Academy Trust's strategies for employment and organisational development.
  - Recommending to the Board of Directors any changes to the staffing establishment which are outside budget or may result in redundancies.
  - Keeping the Multi Academy Trust pension arrangements under review and making recommendations on any changes or key issues to the Board of Directors.
  - Overseeing the establishment of, and keeping under review, formal and informal arrangements for negotiation and consultation with staff and trade unions.
  - Agreeing terms and conditions of service for staff.
  - Staff Remuneration.
  - Establishing and keeping under review a job evaluation scheme.
  - Developing and recommending remuneration strategy and policy to the Board of Directors within the context of national and local agreements, contractual arrangements and TUPE; recognising the need to recruit and retain high calibre teaching and support staff to deliver the Multi Academy Trust's mission and meet the strategic plan objectives.
  - Considering and recommending to the Board of Directors the proposed annual pay review for staff; taking into account agreed strategy and policy, local and national circumstances and taking professional advice as required.
  - Reviewing and recommending the salary reviews of the Executive Headteacher / Chief Executive and other members of the Executive Management Team to the Board of Directors having taken external advice on market salaries and benefits and having regard to contractual terms.
  - Reviewing and recommending to the Board of Directors the form and content of contracts for the Executive Headteacher / Chief Executive and other members of the Executive Management Team.
- Performance –
  - Establishing performance management/review schemes for staff to reflect the operational needs of the Multi Academy Trust.
  - Overseeing a process for the regular appraisal of performance and effectiveness of the Executive Headteacher / Chief Executive and other members of the Executive Management Team, ensuring that the necessary assurances and outcome reports are presented to the Board of Directors and action plans developed to address any improvements required.
  - Establishing a panel for the appraisal of the Executive Headteacher / Chief Executive and Headteacher of Hill Farm.

TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014

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- Equality, Diversity and Inclusion –
  - Developing and recommending to the Board of Directors, the Multi Academy Trust's strategy for equality, diversity and inclusion.
  - Ensuring that the Multi Academy Trust is meeting its statutory and regulatory obligations concerning equality, diversity and inclusion and is actively developing structures, services, and policies which are responsive to the needs of individuals, groups and communities and free from discrimination.
- Board and Committee Membership –
  - Reviewing and recommending the membership of the Board of Directors, the Local Governing Bodies and Multi Academy Trust wide committees taking into account their terms of reference and seeking to ensure that there is an appropriate balance of skills, knowledge, experience and competencies on each body, enabling them to properly fulfil their purpose and exercise their core functions.
  - Overseeing the implementation of director, governor and other committee member recruitment and selection processes across the Multi Academy Trust.
  - Board and Committee Member Skills, Performance and Development:  
Carrying out regular skills audits and maintaining up to date succession plans for directors, governors and other committee members taking account of the challenges and opportunities facing the federation and the balance of skills, knowledge and experience required on the Board of Directors, the Local Governing Bodies and the Multi Academy Trust wide committees.
  - Overseeing a process for the regular appraisal of performance and effectiveness of the Board of Directors, Local Governing Bodies and Multi Academy Trust wide committees and individual directors, governors and other committee members, ensuring that outcome reports are presented to the Board of Directors and action plans developed to address any improvements required.
  - Reviewing annually the commitment of all directors, governors and other committee members ensuring that attendance and contribution is consistent with the proper exercising of their roles and responsibilities.
  - Developing and overseeing the implementation of a governance development programme which addresses issues identified in collective and individual appraisals as well as emerging priorities such as changes in services, legislation or regulation, or new business.
  - Developing and overseeing the implementation of an induction programme for new directors, governors and other committee members.
- Non-Executive Remuneration and Expenses –
  - Keeping the issue of non-executive director and governor remuneration under review within the context of developing trends in the sector, charity law and regulation, and issues relating to the recruitment of directors, governors and committee members.
  - Reviewing and recommending to the Board of Directors any proposals for payment of non-executive directors for services within the parameters of the Articles of Association.
  - Reviewing the expenses policy for directors, governors and other committee members.



**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Local Governing Body** - this meets at least three times a year and has an overall purpose of:

- Ensuring all students within the Multi Academy Trust have access to a high quality education provision in line with the shared mission and vision.

To monitor the implementation of each individual academy's development/improvement plan ensuring that it is delivering against agreed strategic and local objectives; moving the academy and Multi Academy Trust as a whole towards achieving and sustaining a regulatory judgement of outstanding in all areas.

To ensure that the academic and wellbeing needs of Multi Academy Trust students' are being met effectively through the design and delivery of a broad and balanced curriculum which, through use of personalised, developmental support helps to maximise each student's success and enjoyment.

- To ensure all students are safeguarded.
- To ensure the Multi Academy Trust collective published admission number (PAN) is full.

The core functions of the Committee are:

- Governance –
  - To promote high expectations for standards and student outcomes.
  - Drive continuous improvement and ensuring rigorous processes of personalised target setting.
  - Ensure consistency, diversity and inclusion within the Multi Academy Trust through implementation of the Multi Academy Trust's strategies, policies and procedures.
  - Review annually and recommend for the consideration of the Board of Directors any amendments to the Local Governing Body's agreed terms of reference.
  - Ensure the academies and Multi Academy Trust complies with the requirement for every learner to receive any statutory curriculum content in accordance with government directives for academies.
  - In conjunction with the Director of Finance, ensure governors are kept up to date about the national educational and regulatory developments affecting the Multi Academy Trust's approved curriculum and pedagogy; ensuring that changes are built into strategic planning and monitoring processes and reported to the Board of Directors and the Finance & Resources Committee to inform strategic decision making.
  - In conjunction with the Director of Finance, review relevant policies in line with the policy review schedule and make appropriate recommendations for change to the Board of Directors, monitoring the effectiveness of implementation and level of congruence between policy and practice particularly in relation to; the behaviour policy and all strategies relating to behaviour, social and emotional aspects of learning (SEAL), sanctions and rewards, diversity and inclusion and robustly challenge any discrimination against learners on the grounds of gender (including gender reassignment), race disability, sexual orientation, religion and belief, marital / civil partnership status or age where applicable.
  - Ensure all statutory assessments, including the administration and invigilation of exams, are conducted effectively in line with the Multi Academy Trust's policy and adhere to examining body criteria/specifications, seeking assurances that all results have been forwarded in a timely manner to students, parent/carers and the appropriate bodies.
  - Liaising with the Board of Directors to consider and respond as appropriate to Ofsted's regulatory judgements and reporting.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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- Strategic Planning –

- Contribute to the development of the Multi Academy Trust's long term strategic plan; ensuring that the academy is working towards the shared mission and vision through overseeing the development, implementation and monitoring of the academies development/improvement plans; delivering against strategic objectives, targets and key performance indicators in relation to its remit.
- In conjunction with the Director of Finance, ensure that the Local Governing Body's agenda planning enables effective scrutiny of data and reporting which focuses activity upon the strategic and local priorities identified for the forthcoming year.
- Recommend an annual attendance target for students for the approval of the Board of Directors, ensuring that proper procedures are in place for recording absence of students and the impact of any follow up action taken.
- Recommend the annual student performance targets for the approval of the Board of Directors.
- Liaising with the Board of Directors and its committees as required and considering any matters which are outside the strategy but which may contribute to the longer term sustainability and viability of the Multi Academy Trust.

- Performance Review –

- Conducting in-depth scrutiny of data and the reporting of standards, examination results, assessments and progress in order to ensure accountability.
- Carrying out regular reviews of student progress and attainment data to ensure performance and outcomes are in line with agreed objectives, targets and indicators.
- Tracking and monitoring of students' progress and assessing the impact of interventions where progress is low.
- Ensuring, measuring and benchmarking quality assurance and evaluation processes to drive continuous improvement and secure high levels of student attainment and achievement.

- Education Provision and Service Delivery –

- Monitoring the implementation of Multi Academy Trust standards to ensure the delivery of a high quality of education provision and services for students of the academies and keeping them under review.
- Ensuring the provision of a broad and well balanced curriculum, assessing its impact upon student learning and encouraging innovative teaching practice to achieve consistently good or better teaching standards.
- Ensuring a high quality of careers information, advice, guidance & support (CIAGS) so that students' interests and abilities are matched to appropriate pathways in order for them to achieve the best possible outcomes.
- Overseeing the quality of learning, progress and attainment for students with special educational needs and/or disabilities (SEND) and other identified vulnerable groups including: gifted and talented; black and other minority ethnic; travellers; looked after children; free school meals

- Stakeholder Engagement –

- Promoting the Multi Academy Trust's strategy for involving stakeholders and outward facing student activity.
- Ensuring that the academies sufficiently engages with a cross section of groups to secure its full published admission number (PAN) and enable strategies, policies and standards to be set, and decisions to be made, which properly take into account the perspective of key stakeholder groups.

- General –

- Recommending for Audit & Risk Committee consideration and approval by the Board of Directors, any changes to policies and ratification of decisions on all matters that might create significant financial or other risk to the federation or any academy or which raise material issues of principle.
- In conjunction with the Director of Finance, designate a panel to hear formal complaints about areas falling under the committee's remit (i.e. curriculum, teaching and learning / behaviour or wellbeing of students) according to school policy and DfE guidance (where appropriate).
- In conjunction with the Director of Finance, designate a panel to hear any appeal to lift or change the statutory requirements for a child.

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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The Board of Directors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies by the use of budgets and other data, and making major decisions about the direction of the academies, capital expenditure and staff appointments.

The Trustees and Board of Directors have devolved responsibility for day to day management of each academy to the Headteachers.

The Multi Academy Trust has a leadership structure which consists of the Board of Directors and the Senior Leadership Team of each academy. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

Caludon Castle Senior Leadership Team (SLT) consists of the Headteacher, Associate Head, Senior Deputy Head, three Deputy Head's, a Senior Assistant Head and the Director of Finance. Hill Farm Senior Leadership Team (SLT) consists of the Headteacher, four Assistant Headteachers and one Associate Assistant Headteacher. The Chief Executive, Headteacher of Hill Farm, Finance, & Resources Committee and Director of Finance, are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to Budget Holders which must be authorised in line with the Finance Policy and Budget Holders Responsibilities. The Chief Executive / Headteacher ensures that recruitment and selection decisions are made effectively and fairly with or through the HR Business Manager when appropriate.

The SLT controls the academies at an executive level, implementing the policies laid down by the Trustees and reporting back to them.

The Chief Executive is the Accounting Officer.

**Connected Organisations, including Related Party Relationships**

Caludon Castle School was rebuilt in 2008 as a PFI project.

The PFI agreement is between Coventry Education Partnerships and Coventry City Council dated 7 December 2004. Other parties involved are:

- Integral; the facilities management company.
- ALM; have shared use of the leisure centre during the school day and sole use out of school hours.
- Library; Coventry City Council Community library shares the library facility with Caludon Castle School.

There are no related parties which either control or significantly influence the decisions and operations of Castle Phoenix Trust.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Multi Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing schools, offering a broad range of curriculum for students of different abilities.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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Caludon Castle school priorities for the year ending 31 August 2014 are:

- Effectively track student progress and provide timely intervention for the most vulnerable students to ensure their progress is at least good. To close the attainment gap for FSM, CLA, SEND and I Factor 4 stars.
- Improve the performance of the most able and gifted so that their attainment is at least 3% above national expectations and progress is at least good for this group of students.
- Review and change the school curriculum to meet the needs of the most able. Provide increased opportunities for students to develop skills for learning: independently, inter-independently, creatively, innovatively, and confidently. Consider learning beyond the classroom.
- Ensuring that teaching within faculties remains outstanding by increasing the number of outstanding lessons and further improving the quality of questioning, collaborative learning, marking for improvement (verbal and written formative assessment) and reflection and review of learning.
- Actively engage students as learning researchers and further promote student voice through faculty ambassador roles, schools councils and other student voice groups. Provide increased opportunities for students to present to an audience so they can improve their communication skills.
- Set high standards for student literacy skills so that the majority of students are working at level 5 or above. Provide appropriate professional development and structured intervention if students start to fall behind.

The aims of Hill Farm School Development plan for the year ending 31 August 2014 are:

- To accelerate progress and raise attainment in reading, writing and maths for all groups of pupils.
- To improve the quality and consistency of teaching and learning across the school.
- To provide effectively for children who need additional support.
- To enable all children to take a full, positive and active role in all aspects of school life.
- To develop practice and provision in Nursery and Reception to lead to good outcomes for all children.
- To develop the role of leaders and managers at all levels in driving and securing improvement across the school.

Castle Phoenix Trust strives to ensure that students are motivated and independent learners through the provision of a wide range of learning choices to extend their learning.

We consistently encourage students to become lifelong learners who value themselves, others and learning.

We promote social responsibility, resilience, perseverance, creativity and independence to effectively prepare our students for an ever changing world.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Objectives, Strategies and Activities**

Caludon Castle School

Key improvement strategies are set out in the School Strategic Plan 2012/13 to 2014/15. The strategies are:

- Provision of a structured CPD programme to train staff towards consistently outstanding practice with a focus on collaborative learning, reflecting /reviewing the learning, and advanced questioning.
- To involve students as learning researchers and introduce a faculty quality mark for learning and an award for a lead learning faculty.
- Create a Learning Beyond the Classroom group to develop ideas and lead on the initiative in faculties. This will include working with external agencies, partner primary schools and the OB2L cluster to create Art and Technology projects to be professionally displayed at school. In addition to encourage greater use of Coventry's facilities and local businesses.
- Development of an attendance team fully trained and directed to work with targeted students.
- Development of the family link worker and the inclusion team and further promote the inclusive classroom.
- Redefine the criteria for identifying the most able and gifted and talented students leading to introducing additional learning time and opportunities inside and outside the classroom.
- Cross phase professional development, planning and teaching with local primary schools and share use and understanding of data and assessment systems. To share and structure support for targeted students and vulnerable and disadvantaged students and families.
- Increase the number of graduate additional adults to act as learning facilitators/progress mentors.
- Review the curriculum for Humanities increasing guided support.
- To set aspirational targets for all students and facilitate early intervention for students where necessary. To increase enrichment and learning opportunities and develop literacy across the school.
- To enrol Post 16 students on appropriate courses; increasing the range of level 2 and 3 qualifications. Provide support to achieve their targets and continue to ensure no NEETS.

Hill Farm Primary

Priorities arising from the school self-evaluation as set out in the School Development Plan for the year ending 31 August 2014 are:

- Continue to accelerate progress in all year groups in reading, writing and maths in order to raise attainment so that it is at least in line with national expectations by July 2015.
- Continue to accelerate progress at the higher levels in all year groups in reading, writing and maths in order to close the gap between school and national attainment at Level 3 and Level 5 at the end of KS1 and KS2.
- Continue to develop the quality of teaching and learning so that 65%+ is consistently good or better by July 2014.
- Continue to raise expectations of all children in all curriculum areas and ensure that children of different abilities receive appropriate levels of support and challenge to enable them to achieve.
- Make effective use for 'assessment for learning' to inform provision so that teaching and learning is more closely matched to the needs of individuals and groups.
- Develop the curriculum so that it interests and engages the children and inspires them to want to learn.
- Develop the quality of provision in the early years foundation stage.
- Implement the new leadership and management structure, including full induction of new leaders in order to secure swift and significant impact on key areas of school improvement - EYFS, SEN curriculum, quality first teaching in all year groups.
- Further develop the role of leaders and managers to enable improvement to be driven at all levels of the school.
- Define a clear monitoring and evaluation role for the Local Governing Body including individual areas of responsibility.

**CASTLE PHOENIX TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Public Benefit**

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

**STRATEGIC REPORT**

**Achievements and Performance**

*Caludon Castle School*

The Academy is in its second year of operation however, its first year as a Multi Academy Trust.

**A level**

We are delighted with the successful results of our year 13 students this year. The pass rate is 99.5%; 47% of all entries received A\*-B grades and 74% got A\*-C grades. The vast majority of our students have successfully applied for university this year, and all our students are now preparing to begin a wide variety of university courses or are starting apprenticeships, jobs or college courses.

**GCSE**

We are very happy to mark a school record for our English results at 84% A\*-C. This is even more remarkable given the decrease in the national figures.

Our Mathematics A\*-C is 70%. In what has been described as a 'volatile' time for all GCSE results, there has been a 3% rise on last year's 5 A\*-C including English and Maths – 64% of students have achieved this.

The achievement gap has been narrowed for our most vulnerable students in English and Maths.

We are particularly proud of the outstanding performance of the eleven students who achieved 9 or more A\*/A grades.

**Leadership**

Accountable leadership has been a focus during 2013/2014. During six bespoke leadership sessions, leaders within Caludon Castle have experienced high quality professional development from a respected lead inspector and an HMI® which has equipped them to robustly evaluate the impact of their strategies to raise standards further. Future sessions will focus on effective monitoring of standards and intervening to make a difference particularly for the most vulnerable. We have the CPD mark and in June 2014 were awarded IIP Gold Standard which recognises the high value we place on supporting and developing staff within our school.

**Student Learning**

We are working closely with an HMI® to evaluate the quality of learning in Caludon Castle's classrooms. Student voice drives our teaching agenda and we have talked to many students to find out what they are learning and how they learn best. Overall, students enjoy their lessons and value the support from teachers.

Best practice for planning and teaching for excellent learning has been modelled by our teachers, and have provided strategies to stretch, challenge and extend able children. Our most able students continue to tell us what they need to achieve well and a senior leader in school is tracking their progress. From April, students have shared their views on learning at a monthly team leader meetings so that they can influence what happens in their classrooms.

We are piloting innovative learning spaces within each faculty to enhance collaborative learning that fully engages children and provides an environment to stimulate their thinking. In Maths, Languages, Technology and Drama students are already taking full advantage of these new areas.

New leadership posts (Principle Leaders of learning) have been created to solely focus on enhancing the quality of learning throughout the school. As a consequence, we have retained staff longer and attracted good teachers to join us. We have a number of leading practitioners who champion learning across subjects and engage in research to shape our thinking.

Marking for improvement is a current focus. Students receive a minimum of 12 progress checks in every subject each year and teachers give detailed advice on what students need to do to improve their work, as well as RAGG rate the quality of their work.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Standards and Achievements**

Intervention booklets have been produced for all staff following every data collection. These identify 'stuck' students from our targeted groups who are not making progress. Following this, intervention strategies are implemented to ensure students meet their target grades.

**Post 16**

We have over 300 students in the sixth form studying across 25 subjects. We aim to offer places to all our students who want to take advantage of the Caludon Sixth Form. There is an increased commitment to intervene earlier and more regularly to keep students on track to achieve the aspirational targets set for them. Over 100 year 13 students have applied to go to university this year and a number of offers from Russell Group universities have been placed including Oxford and Cambridge. Year 12 students took part in work experience this year and we received many excellent employer reports following their placements.

**Inclusion**

Every teacher knows which students take free school meals and resources are allocated to support these students to achieve their potential. This includes an increase in enrichments, activities, and a senior leader in school tracks their progress. Funding has been allocated to those year 7 and 8 students who are working well below national expected standards. These students are taught additional literacy and are in small groups for Maths and English. Accelerated reader is a reading programme designed to encourage and monitor children's reading. As a result most students are making improved progress with their reading.

Student Support Mentors play a role in helping vulnerable students with their literacy and home learning. This support takes place before and after school and during tutor time.

The Caludon Inclusion area, renamed 'The Phoenix', has been remodelled this year to meet the changing needs of our vulnerable students. Increased provision is now on offer, including access to a kitchen so that students can prepare their own lunch which helps them take responsibility for themselves and others.

During the financial year 2013/2014, Caludon Castle's charity fundraising activities raised a total of £4,398. This benefitted the following charities:

<b>Charity name</b>	<b>Amount</b>
The Myton Hospices	£30
Children In Need	£2,150
UHCWNHS	£2,100
Sports Relief	£118

**Hill Farm Primary**

**Key Stage One**

At the end of Key Stage One, an increased percentage of children achieved Level 2 and Level 2B+. Attainment at Level 2 and Level 2B+ has improved for two consecutive years, with the percentage of children achieving Level 2B+ rising from 60% to 75% in reading; 49% to 60% in writing and 57% to 75% in maths.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Key Stage Two**

At the end of Key Stage Two, attainment at Level 4+ has risen for two consecutive years. The percentage of pupils achieving Level 4 in reading, writing and maths combined has risen from 46% (2012) to 70% (2014). In mathematics, reading and SGPS, attainment in July 2014 was broadly in line with national averages (88%, 88% and 75%). In writing, attainment has risen significantly over the last two years from 52% to 71%. The proportions of children making expected progress are high compared to national figures, with 98% making expected progress in reading, writing and maths.

Pupil attainment and progress are tracked very closely at an individual, group, class, year group and whole school level. The year is divided into four assessment periods and the data collected at the end of each of these is used to target individuals and groups of children who are not making expected progress, both within the academic year and over-time. Focused intervention is then put in place to ensure that these children make accelerated progress over the following 8 weeks.

This year we have implemented a rigorous tracking system for children eligible for pupil premium funding to identify their individual needs, plan for bespoke provision and measure the impact of this on raising their achievement. This has already resulted in a clear closing of the gap between achievement of pupil premium and non-pupil premium children in all year groups.

**Leadership**

In September, a new leadership and management structure was introduced and part of our drive to increase leadership capacity. Five new leaders joined the school at senior and middle leadership level, and in the Autumn term all of these leaders were inducted into their new roles.

During the first half of the Spring Term, a leadership development framework has been devised which will be implemented between March and July 2014. The aim of this framework is to develop good and outstanding leaders at all level in order to accelerate school improvement and secure an outcome of at least good in our next Ofsted inspection.

**Teaching and Learning**

Quality first teaching is the key to raising achievement and accelerating pupil progress, and so the quality of teaching and its impact on learning is evaluated on a regular basis through observations, learning walks, work scrutinies, discussions with children and data analysis. The information gathered through these self-evaluation activities is used to inform the whole school CPD programme along with bespoke individual and group coaching packages.

A focus has been placed on sharing good practice across the school. Each member of the Senior Leadership Team has modelled at least one lesson for colleagues, encouraging them to identify effective strategies for engaging children in learning; meeting individual needs; monitoring learning and securing at least good progress for all learning groups of children within lessons and over time. More recently, we have begun to implement a system of peer coaching to involve all teaching staff in working collaboratively to further develop the quality of teaching and learning. All teachers are working in 'Teaching Triads' to observe one another's classroom practice and engage in learning conversations about what they see. Staff are also encouraged to DVD their own teaching and watch this to identify areas of strength within their practice.

A theme-based curriculum has been implemented in Years 1-6, which encompasses learning in history, geography, art and design technology. The themes for each year group have been developed in collaboration with children and staff and each half term begins with the children identifying what they already know about the new theme, and what they would like to learn about. This information is then used to shape teachers planning for each unit of work. In this way we are able to secure children's interest and engagement with curriculum content, as well as ensuring that they are always learning something new.

In the core curriculum, we have focussed on developing the use of problem solving and using and applying strategies in maths in order to deepen children's learning and extend their thinking beyond completing straightforward calculations. A set of mental maths non-negotiables for each year group has also been developed to ensure that children's rapid recall of number facts is as sharp as it needs to be in order to successfully access the full maths curriculum.



**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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A high priority is given to the quality of the learning environment in all classrooms and how this is used to promote excellent learning for all groups of children. Following training last year, teaching staff have continued to refine approaches to the provision of high quality Literacy and Maths 'learning/working walls' which provide the children with key prompts and scaffolds to support their development as independence learners.

**Inclusion**

A robust system exists to ensure that the needs of all vulnerable children are clearly identified and that provision is put in place to meet these needs. All staff are aware of which children in their class are eligible for pupil premium funding and they have been involved in shaping the priorities for how money is spent in relation to supporting each child to achieve their potential. Individual Provision Plans are in place for all children on the Special Educational Needs register and targeted use is made of Teaching Assistant time to provide specific programmes of intervention to address the targets on these plans. As a result, SEN children are making improved progress in their learning and there is clear evidence of the impact of this strategy on their individual areas of need.

Using data from the end of each assessment period, children who are making less than expected progress, and those who are close to achieving age related expectations, are routinely provided with additional support and intervention to accelerate their learning. These interventions take place in assembly time, at lunchtime and after the school day. Raising Attainment Plans identify the foci for each intervention and the impact of each plan on children's progress is closely monitored.

Our family worker has dedicated a large proportion of her time to working with families whose children's attendance is a cause for concern. As a result of this work, whole school attendance has improved and there has been a reduction in the percentage of children whose attendance is below 85%.

**School Trips and Enrichments**

As part of the new theme-based curriculum, all children in year 1-6 now take part in an enrichment activity every half-term. This enrichment takes the form of either a trip off school site, or a specialist visitor coming into school. Money from the school budget has been allocated to subsidise these enrichment experiences and make them affordable for all families. The children have responded very positively to this addition to the curriculum and many have commented on the contribution that trips and visits have made to their learning so far.

Alongside these trips and visits, all children have taken part in a theatre visit as well as a number of enrichment days, the most popular of which has been 'Hill Farm's Christmas Day!'. In June, children in year 5 and 6 take part in a residential visit to an outdoor activity centre in North Devon.

**Links with Parents and Carers**

This year, we have implemented a number of strategies to improve the quality of home learning for our children. Parents and carers have been provided with a range of user friendly leaflets to share key information about aspects of the schools work e.g. behaviour; Special Educational Needs; homework; maths and phonics. We have also led a number of workshops to develop the confidence of parents and carers in supporting their children's learning at home. To date, these have included maths calculations strategies; reading; phonics; Year 2 and Year 6 SATs and homework.

Each term, we have held parents/carers information evenings to share information about children's behaviour, attitude to learning, attainment progress and overall well-being in school. Attendance at these meetings has increased this academic year, with over 80% of parents taking part. To supplement this, parents and carers have also been provided with regular information about the level their child is working at in reading, writing and maths and whether they are making expected progress in their learning.

A new approach to homework linked to our theme-based curriculum has been introduced. Instead of being given specific homework tasks each week, children are provided with a menu of exciting activities at the start of each half-term which cover a range of curriculum areas and learning styles.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

**Premises Development/Improvement**

An ACMF application was submitted for two projects. Project 1 was for replacement/repair of internal and external doors and project 2 groundwork's to the Early Years play area. The bid was unsuccessful but Governors agreed that for safeguarding and security reasons the doors should be replaced. The external doors were replaced at a cost of £54,841.50 and the majority of internal doors at a cost of £32,289.90. An ICT Suite has been installed costing £10,969.65. The Library has been relocated at minimal cost, but this will be ongoing into the next financial year. Renovation of the old playgroup room has taken place to enable Nursery to relocate; project cost £2,913.20.

During the financial year 2013/2014, Hill Farm's charity fundraising activities raised a total of £501. This benefitted the following charities:

Charity name	Amount
Save the Children	£176
Zoe's Place Trust	£84
Sport Relief	£84
WWF (for Polar Bears)	£157

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is restricted to 12% the restriction has been removed in the year.

Caludon Castle School

GAG received for the year 2013/14 was £8,111,312. The carry forward was estimated at the time of Governors approval; £520,619 (The actual carry forward as at 31 August 2014 was £935,916 for both schools). Total funds brought forwards plus GAG income available totalled £8,631,931.

KPI	Allocations	% of GAG	Actual/Commitment Spend	% of GAG
2012/2013 carry forward	£520,620	6.0%		0.0%
Administration	£273,300	3.2%	£237,576	2.8%
Curriculum	£636,550	7.4%	£661,322	7.7%
Financial	£1,164,867	13.5%	£1,030,393	11.9%
Premises	£289,724	3.4%	£102,889	1.2%
Salaries	£6,267,490	72.6%	£5,965,928	69.1%
Total	£8,631,931	100.0%	£7,998,108	92.7%

Hill Farm Primary

Hill Farm Primary was Local Authority funded through Coventry City Council up to the 31 August 2013. The LA carry forward at conversion date of 1 September 2013 was £403,114 and will be transferred as Unrestricted Funds.

GAG received for the year 2013/14 was £2,222,467. Total funds transferred on conversion plus GAG income available totalled £2,625,582.

KPI	Allocations	% of GAG	Actual/Commitment Spend	% of GAG
2012/2013 carry forward	£403,114	15.4%		0.0%
Administration	£219,300	8.4%	£300,731	11.5%
Curriculum	£281,856	10.7%	£129,238	4.9%
Financial	-£84,925	-3.2%	-£130,735	-5.0%
Premises	£376,995	14.4%	£213,723	8.1%
Salaries	£1,832,356	69.8%	£1,693,185	64.5%
Total	£2,625,582	100.0%	£1,776,173	67.6%

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Going Concern**

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Multi 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 Going concern policy.

**FINANCIAL REVIEW**

**Financial Review**

Most of the Multi Academy Trust's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2014 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Multi Academy Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund.

The market value of Caludon Castle land and buildings is included in the PFI contract and as such stays with Coventry Education Partnerships.

The land, buildings and other assets of Hill Farm Primary were transferred to the Multi Academy Trust upon conversion. Land and buildings were professionally valued by Mouchel on 31 March 2014 at £1,969,000.

The Multi Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity.

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

**Reserves and Investment Policy**

The Board of Directors will consider a reserves policy and an investment policy through the Finance & Resources Committee.

The cash reserves held as at the year end have built up as a result of Hill Farm Primary School joining the Multi Academy Trust and bringing with it an investment account. The cash reserves are deemed reasonable by the Trustees as the Trust has significant post year end PFI creditors to pay, as well as an expectation that the PFI costs are going to rise annually – a contingency is held in relation to this. As well as this, there have been significant capital projects ongoing at Hill Farm Primary School since the year end, with further work due to take place over the next 12 months; as well as an ICT refreshment project at Caludon Castle School – once again a contingency is held in relation to this expense. Finally, employer's pension contributions are expected to rise – funds have been retained to allow for this.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Directors has reviewed the major risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Multi Academy Trust are as follows:

**Financial** - the Multi Academy Trust has considerable reliance on continued Government funding through the EFA. In the last year the Multi Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Multi Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees/Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Multi Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees/Governors ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Trustees/Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing** - the success of the Multi Academy Trust is reliant upon the quality of its staff and so the Trustees/Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - The Multi Academy Trust has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

A draft Risk Register will be considered by the Finance & Resources Committee. This includes the financial risks to the Multi Academy Trust. The register will be reviewed in light of any new information and formally reviewed annually.

The Trustees/Governors assessed the major risks to which the Multi Academy Trust would be exposed to when considering the Trust conversion; in particular those relating to its finances, teaching, facilities and PFI risks.

Whilst Caludon Castle is over-subscribed, Hill Farm is currently under-subscribed therefore risks to revenue funding are possible. Moreover, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and PFI costs mean that budgets will be increasingly tight in coming years.

The governors examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance & Resources Committee meetings.

At the year end, the Multi Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Directors recognises that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However as the Trustees/Governors consider that the Multi Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**PLANS FOR FUTURE PERIODS**

The Multi Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Multi Academy Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Multi Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Caludon Castle was designated as a teaching school with effect from 1 September 2013 and continues to receive funding for its operations.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED**

**Employees and disabled persons** - the average number of employees exceeds 250 therefore the Multi Academy Trust, in accordance with requirements discloses the following:

- for disabled employees - The aims and objectives of the fair recruitment process are:
  - To ensure that the safeguarding and welfare of children and young people takes place at each stage of the process.
  - To ensure a consistent, equitable and effective approach to the appointment of all school staff.
  - To ensure all relevant equal opportunities legislation is adhered to and that appointees are not discriminated against on the grounds of ethnic origin, nationality, gender, religion, age, disability, marital status or sexual orientation.
  - To ensure documentation relating to applicants is treated with utmost confidentiality in accordance with the Data Protection Act 1998.
  - To ensure the most cost effective use is made of resources in the recruitment and selection process.
- for employee consultation – both establishments of the Multi Academy Trust have briefing/meeting schedules in place ensures all staff are communicated with on a regular basis:

Day	Caludon Castle School	Hill Farm Primary School
Monday	Whole Staff Briefing Faculty Meetings Focus Groups SLT	Teaching Assistant Team Briefing Whole Staff Briefing (CPD focus)
Tuesday	Rewards input/Learning & Teaching survey	
Wednesday	Year Teams	SLT
Thursday	1st in month DR ICE 2nd in month Strategic Management Group 3rd in month Literacy Bitesize 4th in month Team Leaders	Year Team Briefing
Friday	Faculty Team Briefing	

Caludon Castle Leadership Team meet each morning, following which notes are e-mailed out to all staff.

**TRUSTEES INDEMNITIES**

No third party indemnity provisions were made during the year or at the date of approval of the Trustees' report.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**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, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

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

A handwritten signature in dark ink, appearing to read 'M. Friday', with a long, sweeping horizontal stroke extending to the right.

**M Friday**  
**Chair of Board of Directors**

**CASTLE PHOENIX TRUST  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

The Board of Directors has delegated the day-to-day responsibility to the Executive Headteacher / Chief Executive, 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 Castle Phoenix Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Directors has formally met 2 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Trustee	Meetings attended	Out of a possible
M Friday, Chair	2	2
C Saunders	1	2
M Webster	2	2
L Hancock	2	2

**TERMS OF REFERENCE: BOARD OF DIRECTORS**

**1. Overall Purpose**

**1.1** The overall purpose of the Board of Directors is:

- To determine the vision for the Multi Academy Trust and ensure that its achievement underpins all strategic planning and decision making.
  - To develop the values of the Multi Academy Trust and ensure that they underpin all decision making.
  - To develop, agree, implement and monitor all the Multi Academy Trust's strategies and policies for the achievement of the vision.
  - To develop, review and take ownership of the Multi Academy Trust's strategic plan, incorporating the academies' financial plans, and monitor its implementation.
  - To ensure that all schools within the Multi Academy Trust attain high standards and demonstrate at least good progress against national indicators.
  - To ensure that the Multi Academy Trust keeps within legal obligations and complies with all necessary regulatory requirements.
  - To agree and oversee the implementation of a strategy for the development of the Multi Academy Trust.
- To maintain overall control and consistency of approach across the Multi Academy Trust through:
- strong governance arrangements
  - clear and appropriate levels of delegated authority
  - unified frameworks for strategic planning, risk management, policy making and performance review.

**2. Size and Composition**

**2.1** The articles state that there shall be a minimum of three directors; there is no maximum number.

**2.2** The Multi Academy Trust has agreed that it will appoint directors with the aim of ensuring that there is an effective balance of essential and desirable skills, knowledge and experience amongst the collective membership of the Board. Directors will be appointed in line with the Board and Committee Membership Policy.

**2.3** Without fettering its capacity to ensure that it has the necessary skills, knowledge and experience amongst the board's membership, the Multi Academy Trust aims to have a board of between 10 and 12 directors for optimum effectiveness in debate and decision making.

**2.4** Amongst the directors appointed there will be (Articles 46 and 46a):

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**GOVERNANCE STATEMENT (continued)**

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- Up to three member appointed directors.
- The Executive Headteacher / Chief Executive.
- Any number of directors co-opted by the board.
- 2.5 As long as the Multi Academy Trust ensures that there is a minimum of two parent governors on each Local Governing Body there is no requirement for parent directors. If this minimum requirement is not achieved then the Multi Academy Trust must appoint at least two parent directors (Article 53).
- 2.6 There is a requirement that local authority persons may not form 20% or more of the Board of Directors (Article 140).
- 2.7 The Board of Directors will be supported by the Director of Finance. The lead member of staff will be the Executive Headteacher / Chief Executive but other members of the Executive Management Team will be in attendance unless otherwise directed by the Chair of Directors. (The Executive Management Team comprises of the Headteacher and SLT from each academy).
- 3. Frequency of meetings**
- 3.1 There shall be at least three meetings in every school year (Article 109). The Multi Academy Trust has agreed that it will usually hold four meetings of the Board of Directors a year.
- 3.2 Additional ad hoc meetings may be arranged to deal with identified significant issues.
- 4. Quorum and Voting**
- 4.1 The quorum shall be any three directors, or, where greater, any one third (rounded up to a whole number) of the total number of directors holding office at the date of the meeting (Article 117).
- 4.2 If the number of directors falls below the required quorum, the remaining directors may act only for the purpose of filling vacancies or of calling a general meeting of the members (Article 118).
- 4.3 For the following specific matters the quorum shall be any two thirds (rounded up to a whole number) of the total number of directors entitled to vote on: appointing a parent director; voting to remove a director; or voting to remove the chair of the directors (Article 119).
- 4.4 Every matter which requires a decision at a meeting of the directors shall be determined by a majority of the votes of the directors present and voting on the question. Every director shall have one vote (Article 120).
- 5. Core Functions**
- Reserved matters which cannot be delegated are denoted (R)
- 5.1 Governance
- (a) Annually electing a Chair of Directors (who shall be independent of the Local Governing Bodies) and a Vice Chair of Directors. (R)
- (b) Approving any changes to governance structures including the size and composition of the Board of Directors, Local Governing Bodies and other committees. (R)
- (c) Ensuring adequate succession planning for all directors, governors and other committee members across the Multi Academy Trust and in particular the Chair of Directors. (R)
- (d) Agreeing the terms of reference of the Board of Directors. (R)
- (e) Appointing suitable Directors ensuring that the Board has the skills, knowledge and experience amongst the collective membership to fulfil its role and responsibilities.(R)
- (f) Establishing and delegating to a Local Governing Body for each academy; agreeing the terms of reference and appointing governors to its membership including post holders for all positions of office. (R)
- (g) Establishing and delegating to properly constituted Multi Academy Trust wide committees, agreeing their terms of reference and appointing their memberships including post holders for all positions of office. (R)
- (h) Establishing and delegating to panels or time limited working groups; agreeing their terms of reference; appointing its membership and chairs.
- (i) Carrying out an annual review of the membership of the Board of Directors, local governing bodies, other committees, panels and working groups; and all positions of office.



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**GOVERNANCE STATEMENT (continued)**

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- (j) Agreeing a process for the regular appraisal of performance and effectiveness of the Board of Directors, local governing bodies and other committees and for individual directors, governors and other committee members.
- (k) Approving annual objectives for the Chair of Directors. (R)
- (l) Reviewing annually, the standing orders and financial regulations.
- (m) Reviewing annually the terms of reference of the Board of Directors, local governing bodies and other committees and the scheme of delegation to the executive.
- (n) Appointing staff to, and removing from, the office of the clerk to the directors. (R)
- 5.2 Strategic Planning
  - (a) Agreeing the Multi Academy Trust's strategic plan incorporating the financial plans of all academies and keeping it under review, ensuring that the Multi Academy Trust as a whole is working towards achieving the mission and vision and delivering against strategic objectives, targets and key performance indicators. (R)
  - (b) Establishing a strategic planning framework which sets out a unified approach to the development and review of all strategies and action plans across the federation. (R)
  - (c) Developing and agreeing a range of corporate and service strategies ensuring they are linked to strategic plan goals and priorities and aimed at achieving the shared vision. (R)
- 5.3 Finance
  - (a) Approving annually and keeping under review the academies' financial plans and budgets. (R)
  - (b) Approving annually the Multi Academy Trust's budgets (each academy and consolidated) (R)
  - (c) Approving the Multi Academy Trust's annual report and financial accounts after scrutiny by the Finance & Resources Committee and prior to presentation to the Multi Academy Trust's members at the AGM. (R)
  - (d) Appointing the Multi Academy Trust's Responsible Officer. (R)
  - (e) Approving the Multi Academy Trust's Treasury Policy. (R)
  - (f) Establishing and overseeing a framework for borrowing and monitoring full compliance with all covenants (especially financial) contained in loan facilities.
- 5.4 Performance Review
  - (a) Establishing a framework for performance monitoring through key indicators and annually set targets in all areas of the Multi Academy Trust. (R)
  - (b) Carrying out regular reviews of performance in line with agreed objectives, targets and indicators.
- 5.5 Education Provision and Service Delivery
  - (a) Setting the standards for the delivery of a high quality of education provision and services for students within the Multi Academy Trust and keeping them under review.
  - (b) Establishing a framework for the review and continuous improvement of education provision and services across the Multi Academy Trust which involves students, staff, parents/carers and external challenge as appropriate.
  - (c) Monitoring the implementation of development/improvement plans against agreed strategic objectives, moving the Multi Academy Trust towards achieving excellence in all areas.
- 5.6 Asset Management
  - (a) Agreeing the Multi Academy Trust's strategy for the management of all assets, ensuring the provision of good quality learning resources for students, maintaining the value of assets and ensuring continuing availability for future student cohorts. (R)
  - (b) Agreeing the Multi Academy Trust's annual stock investment programme, ensuring it is in line with the asset management strategy and informed by up to date asset condition data; and that it is within the parameters of the strategic plan. (R)

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**GOVERNANCE STATEMENT (continued)**

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**5.7 Stakeholder Engagement**

- (a) Agreeing and promoting the Multi Academy Trust's strategy for involving stakeholders ensuring that the Multi Academy Trust sufficiently engages with a cross section of groups to enable strategies, policies and standards to be set, and decisions to be made, which properly take into account the perspective of key stakeholder groups.

**5.8 Staffing**

- (a) Agreeing the staffing structure and establishment for the Multi Academy Trust. (R)
- (b) Agreeing changes to the staffing structure and establishment which are outside budget or may result in redundancies. (R)
- (c) Agreeing a process for the selection and appointment of the Executive Headteacher/Chief Executive and members of the Executive Management Team.
- (d) Delegating such powers to the Executive Management Team as a whole and to individual executives to enable the day-to-day running of the Multi Academy Trust and its academies. (R)

**5.9 Remuneration**

- (a) Agreeing the principles by which executive and other staff pay and benefits are determined. (R)
- (b) Determining the remuneration of all members of the Executive Management Team and senior staff. (R)
- (c) Determining other staff remuneration. (R)

**5.10 Audit and Risk**

- (a) Agreeing a strategy for the management of risk, overseeing the effectiveness of risk management practice and ensuring that the Multi Academy Trust operates a framework that effectively identifies and manages risks. (R)
- (b) Agreeing policies and making decisions on all matters that might create significant financial or other risk to the Multi Academy Trust or which raise material issues of principle. (R)
- (c) Establishing and overseeing a framework of delegation and systems of control including internal and external audit systems and procedures. (R)
- (d) Ensuring that the system of internal controls is regularly reviewed.
- (e) Approving the statement of internal controls to be included in the annual report. (R)
- (f) Recommending the appointment or removal of external auditors to the Multi Academy Trust members at the AGM. (R)

**5.11 Business Development**

- (a) Agreeing the Multi Academy Trust's strategy for the development of the Multi Academy Trust through organic growth, new joiners, diversification and partnerships. (R)
- (b) Setting out the parameters within which the Executive Headteacher / Chief Executive and other staff may engage with other organisations and individuals in furtherance of the strategy. (R)
- (c) Considering any matters which are outside the strategy but which may contribute to the longer term sustainability and viability of the Multi Academy Trust. (R)

**5.12 Compliance**

- (a) Monitoring the performance the Multi Academy Trust including all academies within the Multi Academy Trust ensuring compliance with all legal and regulatory requirements. (R)
- (b) Ensuring the Multi Academy Trust's affairs are conducted within the law and the constitution and in accordance with generally accepted standards of performance and probity. (R)
- (c) Considering and agreeing the contents of statutory and regulatory returns to the Department for Education, Companies House and if required to the Charity Commission. (R)
- (d) Reviewing compliance against any recognised best practice standards and codes of practice. (R)

**5.13 Contracts**

- (a) Approving any major capital programmes and projects. (R)
- (b) Approving contracts which are material, strategically or by reason of size such as loan agreements, acquisition or disposal of fixed assets over £10,000 other than where expressly delegated in line with approved policies, projects or programmes. (R)

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**GOVERNANCE STATEMENT (continued)**

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- (c) Approving any major investments other than those agreed as part of Treasury Management Policy. (R)
- 5.14 Environment and Sustainability
  - (a) Develop and agree the Multi Academy Trust's strategies for the environment and sustainability.
  - (b) Review and recommend action on environmental and sustainability issues.
- 5.15 General
  - (a) Compromising, settling, conducting, enforcing or resisting either in a court of law or by arbitration any suit, debt, liability or claim by or against the Multi Academy Trust which are material, by reason of value or impact on the reputation of the Multi Academy Trust or any of its academies. (R)
  - (b) Reviewing and agreeing a strategy on diversity and inclusion and ensuring that the Board of Directors demonstrates leadership in all matters relation to diversity and inclusion in terms of its workforce, procurement and service delivery.
  - (c) Approving all policy unless expressly delegated to a local governing body or other committee or expressly delegated to directors, governors, other committee members or executives to make minor amendments. (R)

The **Finance and Resources Committee** is a sub-committee of the main board of trustees.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
M Friday, Chair	8	8
I Boyce, Vice Chair	6	8
W Taylor-Dowson	7	8
B Sedgebear	3	8
R Winters	4	8

**TERMS OF REFERENCE: FINANCE & RESOURCES COMMITTEE**

**1. Overall Purpose**

- 1.1 The overall purpose of the Finance & Resources Committee is to:
  - To ensure that the Multi Academy Trust's framework of financial planning, treasury management, systems and controls is enabling the proper management of the financial resources within the federation.
  - To support the Board of Directors in ensuring that a framework is established and maintained for optimising the employment of all the resources available to the Multi Academy Trust to enable it to meet its business and financial objectives.
  - To develop strategies for communications, procurement, value for money, health and safety, and facilities management.
  - To support the Board of Directors in providing an added level of scrutiny in the monitoring of finance and resources.
  - To keep the Board of Directors regularly informed of the committee's activities and key decisions.

**2 Size and Composition**

- 2.1 The Multi Academy Trust has agreed that the membership of the Finance & Resources committee will comprise a minimum of five committee members including:
  - A majority of directors (Article 101)
  - One member from each Local Governing Body within the Multi Academy Trust.
- 2.2 In appointing the membership the Board of Directors will ensure that the committee has the right balance of skills, knowledge and experience overall to fulfil its remit. The membership will be subject to a selection process overseen by the Director of Finance and subject to the approval and annual review of the Board of Directors.
- 2.3 The committee chair will be a Director and will be appointed as committee chair by the Board of Directors taking into account the skills and experiences required for the position and the balance of chairing responsibilities within the Multi Academy Trust. The chair of the committee should not be the Executive Headteacher / Chief Executive.

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**GOVERNANCE STATEMENT (continued)**

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- 2.4 The committee will be supported by the Director of Finance as the lead member of staff in attendance.
- 3. Frequency of meetings**
- 3.1 There will be a minimum of three termly meetings a year scheduled to align with regulatory and reporting requirements wherever possible.
- 3.2 Additional ad hoc meetings may be arranged to deal with identified significant issues or to cope with increased workload.
- 4. Quorum and Voting**
- 4.1 The quorum shall be three committee members.
- 4.2 Every matter which requires a decision at a committee meeting shall be determined by a majority of the votes of the committee members present and voting on the question. Every committee member shall have one vote.
- 4.3 The committee may not make any decision unless those present at the meeting includes a majority of directors (Article 101).
- 5. Core Functions**
- 5.1 General**
- (a) Setting the standards for the delivery of all financial and business support services across the Multi Academy Trust and keeping them under review.
- (b) Agreeing all financial and business support policies and keeping them under review.
- (c) Monitoring key financial and business support services performance indicators across the Multi Academy Trust adding an additional level of more detailed scrutiny to the Board of Directors' responsibility for setting and reviewing performance, benchmarking internally and externally, and directing corrective action where necessary.
- (d) Considering and making recommendations to the Board of Directors on compliance with all regulatory and other financial reporting requirements.
- 5.2 Finance**
- (a) Reviewing and recommending to the Board of Directors the budget strategy for the coming year.
- (b) Monitoring the Multi Academy Trust's performance against budget and alert the Board of Directors to any significant variances.
- (c) Ensuring that the Multi Academy Trust's assets are protected by the maintenance of adequate insurance cover.
- (d) Keeping the bank mandate and banking provision under review.
- (e) Reviewing and recommending Treasury Management Policy to the Board of Directors.
- (f) Maintaining the stability of the Multi Academy Trust's financial position by monitoring the cash flow and ensuring the effectiveness of financial controls.
- 5.3 Procurement and Value for Money**
- (a) Developing and agreeing the Multi Academy Trust's strategies for procurement and value for money.
- (b) Agreeing procurement policies in relation to pre-tender, tender, and post tender processes.
- (c) Monitoring compliance in relation to procurement and measure the effectiveness of procurement processes and other efficiency measures in delivering value for money.
- 5.4 Communications**
- (a) Developing and agreeing the Multi Academy Trust's strategies for information technology, internal communications and public relations.
- (b) Considering and agreeing any capital investments in IT ensuring that there is a robust business case which demonstrates value for money and a clear project management structure.
- (c) Reviewing the Multi Academy Trust's business continuity plan, risk management and disaster recovery arrangements.
- 5.5 Health and Safety**
- (a) Developing and recommending to the Board of Directors the Multi Academy Trust's statutory health and safety policy.

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**GOVERNANCE STATEMENT (continued)**

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- (b) Establishing and monitoring the implementation of the Multi Academy Trust's health and safety framework.
  - (c) Ensuring that the Multi Academy Trust is meeting its statutory obligations concerning health and safety.
  - (d) Nominating a member of the committee to be the health and safety champion for the Multi Academy Trust who will play an active advisory role to support the Executive Management Team in their leadership of staff health and safety forums; ensuring that the processes designed to support directors in discharging their health and safety duties are robust and implemented effectively.
- 5.6 Facilities Management
- (a) Ensuring that the Multi Academy Trust is accommodated, equipped and administered to provide efficient, effective and economic services.

The **HR & Governance Committee** is also a sub-committee of the main Board of Directors. Attendance at meetings in the year was as follows:

L Hancock (Chair)	3	4
P Simpson (Vice Chair)	4	4
C Saunders	4	4
R Liddle	4	4
E Over	4	4

**TERMS OF REFERENCE: HR & GOVERNANCE COMMITTEE**

- 1. Overall Purpose**
  - 1.1 The overall purpose of the HR and Governance committee is to:
    - To develop a strategy for the employment of staff and all strategic issues relating to staff salary and benefit packages.
    - To consider issues relating to the contracts of employment for the Executive Headteacher / Chief Executive and other members of the senior management Teams including the review of salary and benefits and appraisal.
    - To oversee processes for the recruitment, induction, appraisal and training of all directors, governors and committee members.
    - To keep under review the skills, knowledge and experience on the board, local governing bodies and all board committees and advise the Board of Directors on succession planning and renewal.
    - To oversee the Multi Academy Trust's strategy in relation to equality, diversity and inclusion.
    - To support the Board of Directors in providing an added level of scrutiny in the monitoring of finance and resources.
    - To keep the Board of Directors regularly informed of the committee's activities and key decisions.
- 2. Size and Composition**
  - 2.1 The Multi Academy Trust has agreed that the membership of the HR & Governance committee will comprise a minimum of five committee members including:
    - A majority of directors (Article 101)
    - One member from each local governing body within the federation
  - 2.2 In appointing the membership the Board of Directors will ensure that the committee has the right balance of skills, knowledge and experience overall to fulfil its remit. The membership will be subject to a selection process overseen by the Director of Finance and subject to the approval and annual review of the Board of Directors.
  - 2.3 The Executive Headteacher / Chief Executive (or any other member of staff) will not be a member of the committee.

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**GOVERNANCE STATEMENT (continued)**

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- 2.4 The committee chair will be a Director and will be appointed as committee chair by The Board of Directors taking into account the skills and experiences required for the position and the balance of chairing responsibilities within the Multi Academy Trust.
- 2.5 The committee will be supported by the Director of Finance as the lead member of staff in attendance.
- 3. Frequency of meetings**
- 3.1 There will be three (termly) meetings a year scheduled to enable recommendations to be referred to the Board of Directors with minimum delay.
- 3.2 Additional ad hoc meetings may be arranged to deal with identified significant issues or to cope with increased workload.
- 4. Quorum and Voting**
- 4.1 The quorum shall be three committee members.
- 4.2 Every matter which requires a decision at a committee meeting shall be determined by a majority of the votes of the committee members present and voting on the question. Every committee member shall have one vote.
- 4.4 The committee may not make any decision unless those present at the meeting includes a majority of directors (Article 101).
- 5. Core Functions**
- 5.1 Human Resources - General
- (a) Developing and recommending to the Board of Directors for approval, the Multi Academy Trust's strategies for employment and organisational development.
- (b) Recommending to the Board of Directors any changes to the staffing establishment which are outside budget or may result in redundancies.
- (c) Keeping the Multi Academy Trust pension arrangements under review and making recommendations on any changes or key issues to the Board of Directors.
- (d) Overseeing the establishment of, and keeping under review, formal and informal arrangements for negotiation and consultation with staff and trade unions.
- (e) Agreeing terms and conditions of service for staff.
- 5.2 Staff Remuneration
- (a) Establishing and keeping under review a job evaluation scheme.
- (b) Developing and recommending remuneration strategy and policy to the Board of Directors within the context of national and local agreements, contractual arrangements and TUPE; recognising the need to recruit and retain high calibre teaching and support staff to deliver the Trust's mission and meet the strategic plan objectives.
- (c) Considering and recommending to the Board of Directors the proposed annual pay review for staff; taking into account agreed strategy and policy, local and national circumstances, and taking professional advice as required.
- (d) Reviewing and recommending the salary reviews of the Executive Headteacher / Chief Executive and other members of the Executive Management Team to the Board of Directors having taken external advice on market salaries and benefits and having regard to contractual terms.
- (e) Reviewing and recommending to the Board of Directors the form and content of contracts for the Executive Headteacher / Chief Executive and other members of the Executive Management Team.
- 5.3 Performance
- (a) Establishing performance management/review schemes for staff to reflect the operational needs of the federation.
- (b) Overseeing a process for the regular appraisal of performance and effectiveness of the Executive Headteacher / Chief Executive and other members of the Executive Management Team, ensuring that the necessary assurances and outcome reports are presented to the Board of Directors and action plans developed to address any improvements required.
- (c) Establishing a panel for the appraisal of the Executive Headteacher / Chief Executive.

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**GOVERNANCE STATEMENT (continued)**

- 5.4 Equality, Diversity and Inclusion
- (a) Developing and recommending to the Board of Directors, the Multi Academy Trust's strategy for equality, diversity and inclusion.
  - (b) Ensuring that the Multi Academy Trust is meeting its statutory and regulatory obligations concerning equality, diversity and inclusion and is actively developing structures, services, and policies which are responsive to the needs of individuals, groups and communities and free from discrimination.
- 5.5 Board and Committee Membership
- (a) Reviewing and recommending the membership of the Board of Directors, the local governing bodies and Multi Academy Trust wide committees taking into account their terms of reference and seeking to ensure that there is an appropriate balance of skills, knowledge and experience and competencies on each body, enabling them to properly fulfil their purpose and exercise their core functions.
  - (b) Overseeing the implementation of director, governor and other committee member recruitment and selection processes across the federation.
- 5.6 Board and Committee Member Skills, Performance and Development
- (a) Carrying out regular skills audits and maintaining up to date succession plans for directors, governors and other committee members taking account of the challenges and opportunities facing the Multi Academy Trust and the balance of skills, knowledge and experience required on the Board of Directors, the local governing bodies and the Multi Academy Trust wide committees.
  - (b) Overseeing a process for the regular appraisal of performance and effectiveness of the Board of Directors, local governing bodies and Multi Academy Trust wide committees and individual directors, governors and other committee members, ensuring that outcome reports are presented to the Board of Directors and action plans developed to address any improvements required.
  - (c) Reviewing annually the commitment of all directors, governors and other committee members ensuring that attendance and contribution is consistent with the proper exercising of their roles and responsibilities.
  - (d) Developing and overseeing the implementation of a governance development programme which addresses issues identified in collective and individual appraisals as well as emerging priorities such as changes in services, legislation or regulation, or new business.
  - (e) Developing and overseeing the implementation of an induction programme for new directors, governors and other committee members.
- 5.7 Non-Executive Remuneration and Expenses
- (a) Keeping the issue of non-executive director and governor remuneration under review within the context of developing trends in the sector, charity law and regulation, and issues relating to the recruitment of directors, governors and committee members.
  - (b) Reviewing and recommending to the Board of Directors any proposals for payment of nonexecutive directors for services within the parameters of the Articles of Association.
  - (c) Reviewing the expenses policy for directors, governors and other committee members.

**Caludon Castle School Local Governing Body**

	<b>Meetings attended</b>	<b>Out of a possible</b>
C Saunders (Chair)	4	4
A Brown (Vice Chair)	3	4
M Friday	2	4
W Taylor-Dowson	2	4
L Hancock	1	4
P Simpson	1	4
I Boyce	1	4
B Sedgebear	3	4
E Over	4	4
A Davoile	2	4
D Borgeat	3	4
A Dhilon (appointed 5.11.2013)	1	1
A East (appointed 2.07.2014)	0	0

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**GOVERNANCE STATEMENT (continued)**

**Hill Farm Primary Local Governing Body**

	<b>Meetings attended</b>	<b>Out of a possible</b>
R Winters (Chair)	5	5
R Liddle (Vice Chair)	5	5
C Turner	3	5
L Baddeley (resigned 31.08.14)	4	5
J Guraya	5	5
I Gittins	5	5
S Peters (resigned 31.08.14)	5	5
S Bagby	1	3
K Cleall (appointed summer term)	0	1
C Harrison (appointed summer term)	0	1

**MODEL TERMS OF REFERENCE: LOCAL GOVERNING BODIES**

Note: these are model terms of reference agreed by the Board of Directors for its committees known as Local Governing Bodies for all academies within the Multi Academy Trust. Any variance may be proposed by individual academies and are subject to the approval of the Board of Directors in accordance with the Articles of Association.

**1. Overall Purpose**

1.1 The overall purpose of the Local Governing Body is:

- To ensure all students within the Multi Academy Trust have access to a high quality education provision in line with the shared mission and vision.
- To monitor the implementation of each individual academy's development/improvement plans ensuring that it is delivering against agreed strategic and local objectives; moving the academy and Multi Academy Trust as a whole towards achieving and sustaining a regulatory judgement of outstanding in all areas.
- To ensure that the academic and wellbeing needs of Multi Academy Trust students' are being met effectively through the design and delivery of a broad and balanced curriculum which, through use of personalised, developmental support helps to maximise each student's success and enjoyment.
- To ensure all students are safeguarded.
- To ensure the Multi Academy Trust's collective published admission number (PAN) is full.

**2. Size and Composition**

2.1 The Multi Academy Trust has agreed that the membership of the Local Governing Body will comprise a minimum of ten governors including:

- at least two parent governors and subject to:
- no more than one third being parent governors
- no more than one third being staff governors

2.2 In appointing the governor membership the Board of Directors will ensure that the Local Governing Body has the right balance of skills, knowledge and experience to fulfil its remit.

2.3 Governor membership and appointments to positions of office are all subject to the approval of the Board of Directors. Governors may also be appointed to one of the Multi Academy Trust wide committees taking into account the outcomes of the most recent skills audit.

2.4 The Local Governing Body Chair will be appointed by the Board of Directors from within the Local Governing Body membership each September (Article 102) taking into account the required skills and competencies required for the position. The Local Governing Body Chair will not be the Executive Headteacher / Chief Executive or the Headteacher, the Associate Headteacher / Deputy Headteacher who has lead responsibility for the academy.

2.5 The Local Governing Body will be supported by the nominated member of the Executive Management Team who will be in attendance as the lead member of staff unless otherwise directed by the Local Governing Body Chair or Executive Headteacher / Chief Executive.



**GOVERNANCE STATEMENT (continued)**

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**3. Frequency of meetings**

- 3.1 There will be three (termly) meetings per academic year.
- 3.2 Additional ad hoc meetings may be arranged to deal with identified significant issues or to cope with increased workload.
- 3.3 Additional sub-committee or ad hoc working group meetings may be arranged to complete the delegated work schedule and/or deal with identified significant issues. Such additional meetings will only be arranged following liaison with the Director of Finance to ensure the impact of proposals support the additional time commitment and preparation for governors, reporting and meeting attendance requirements for staff and cost implications for clerking support. Written terms of reference will need to be developed to clarify the purpose and reporting lines via the Local Governing Body to the Board of Directors.

**4. Quorum and Voting**

- 4.1 The quorum shall be five governors.
- 4.2 Every matter which requires a decision at a Local Governing Body meeting shall be determined by a majority of the votes of the governors present and voting on the question. Every governor present shall have one vote.

**5. Core Functions**

- 5.1 Governance
  - (a) Promote high expectations for standards and student outcomes.
  - (b) Drive continuous improvement and ensuring rigorous processes of personalised target setting.
  - (c) Ensure consistency, diversity and inclusion within the federation through Implementation of the Multi Academy Trust's strategies, policies and procedures.
  - (d) Review annually and recommend for the consideration of the Board of Directors any amendments to the Local Governing Body's agreed terms of reference.
  - (e) Ensure the academy and Multi Academy Trust complies with the requirement for every learner to receive any statutory curriculum content in accordance with government directives for academies.
  - (f) In conjunction with the Director of Finance, ensure governors are kept up to date about the national educational and regulatory developments affecting the Multi Academy Trust's approved curriculum and pedagogy; ensuring that changes are built into strategic planning and monitoring processes and reported to the Board of Directors and the Finance & Resources Committee to inform strategic decision making.
  - (g) In conjunction with the Director of Finance, review relevant policies in line with the policy review schedule and make appropriate recommendations for change to the Board of Directors, monitoring the effectiveness of implementation and level of congruence between policy and practice particularly in relation to:
    - The behaviour policy and all strategies relating to behaviour, social and emotional aspects of learning (SEAL), sanctions and rewards.
    - Diversity and inclusion and robustly challenge any discrimination against learners on the grounds of gender (including gender reassignment), race disability, sexual orientation, religion and belief, marital / civil partnership status or age where applicable.
  - (h) Ensure all statutory assessments, including the administration and invigilation of exams, are conducted effectively in line with the Multi Academy Trust's policy and adhere to examining body criteria/specifications, seeking assurances that all results have been forwarded in a timely manner to students, parent/carers and the appropriate bodies.
  - (i) Liaising with the Board of Directors to consider and respond as appropriate to Ofsted's regulatory judgements and reporting.
- 5.2 Strategic Planning
  - (a) Contribute to the development of the Multi Academy Trust's long term strategic plan; ensuring that the academies are working towards the shared mission and vision through overseeing the development, implementation and monitoring of the academies development/improvement plans; delivering against strategic objectives, targets and key performance indicators in relation to its remit.

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**GOVERNANCE STATEMENT (continued)**

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- (b) In conjunction with the Director of Finance, ensure that the Local Governing Body's agenda planning enables effective scrutiny of data and reporting which focuses activity upon the strategic and local priorities identified for the forthcoming year.
  - (c) Recommend an annual attendance target for students for the approval of the Board of Directors, ensuring that proper procedures are in place for recording absence of students and the impact of any follow up action taken.
  - (d) Recommend the annual student performance targets for the approval of the Board of Directors.
  - (e) Liaising with the Board of Directors and its committees as required and considering any matters which are outside the strategy but which may contribute to the longer term sustainability and viability of the Multi Academy Trust.
- 5.3 Performance Review
- (a) Conducting in-depth scrutiny of data and the reporting of standards, examination results, assessments and progress in order to ensure accountability.
  - (b) Carrying out regular reviews of student progress and attainment data to ensure performance and outcomes are in line with agreed objectives, targets and indicators.
  - (c) Tracking and monitoring of students' progress and the assessing the impact of interventions where progress is low.
  - (d) Ensuring, measuring and benchmarking quality assurance and evaluation processes to drive continuous improvement and secure high levels of student attainment and achievement.
- 5.4 Education Provision and Service Delivery
- (a) Monitoring the implementation of Multi Academy Trust standards to ensure the delivery of a high quality of education provision and services for students of the academies and keeping them under review.
  - (b) Ensuring the provision of a broad and well balanced curriculum, assessing its impact upon student learning and encouraging innovative teaching practice to achieve consistently good or better teaching standards.
  - (c) Ensuring a high quality of careers information, advice (where appropriate), guidance & support (CIAGS) so that students' interests and abilities are matched to appropriate pathways in order for them to achieve the best possible outcomes.
  - (d) Overseeing the quality of learning, progress and attainment for students with special educational needs and/or disabilities (SEND) and other identified vulnerable groups including: gifted and talented; black and other minority ethnic; travellers; looked after children; free school meals.
- 5.5 Stakeholder Engagement
- (a) Promoting the Multi Academy Trust's strategy for involving stakeholders and outward facing student activity.
  - (b) Ensuring that the academies sufficiently engages with a cross section of groups to secure its full published admission number (PAN) and enable strategies, policies and standards to be set, and decisions to be made, which properly take into account the perspective of key stakeholder groups.
- 5.6 General
- (a) Recommending for Audit & Risk Committee consideration and approval by the Board of Directors, any changes to policies and ratification of decisions on all matters that might create significant financial or other risk to the Multi Academy Trust or any academy or which raise material issues of principle.
  - (b) In conjunction with the Director of Finance, designate a panel to hear formal complaints about areas falling under the committee's remit (i.e. curriculum, teaching and learning / behaviour or wellbeing of students) according to academy policy and DfE guidance (where appropriate).
  - (c) In conjunction with the Director of Finance, designate a panel to hear any appeal to lift or change the statutory requirements for a child.

**GOVERNANCE STATEMENT (continued)**

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**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Castle Phoenix Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Directors has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint not to appoint anyone as internal auditor. However the Trustees appointed on the 10 December 2013 Duffy & Skilton as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Multi Academy Trust's financial systems. On a quarterly basis, the RO reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

**CASTLE PHOENIX TRUST  
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**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Executive Headteacher / Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

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



**M Friday**  
**Chair of Board of Directors**



**M Marr**  
**Accounting Officer**

**CASTLE PHOENIX TRUST  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Castle Phoenix Trust I have considered my responsibility to notify the Multi Academy Trust Board of Directors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Multi Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



**M Marr**  
**Accounting Officer**

Date: 16 December 2014

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2014**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Trustees are required to:

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

The 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 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 Board of Directors and signed on its behalf by:



**M Friday  
Chair of Board of Directors**

**Date: 16 December 2014**

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASTLE PHOENIX TRUST**

We have audited the financial statements of Castle Phoenix Trust for the year ended 31 August 2014 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 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the charitable Multi Academy Trust'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 Multi Academy Trust'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 Multi Academy Trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable Multi Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Multi Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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.

**UNQUALIFIED OPINION**

In our opinion the financial statements:

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

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASTLE PHOENIX TRUST**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 17<sup>th</sup> December 2014.



**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO CASTLE  
PHOENIX TRUST AND THE EDUCATION FUNDING AGENCY**

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

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

**RESPECTIVE RESPONSIBILITIES OF CASTLE PHOENIX TRUST'S ACCOUNTING OFFICER AND THE  
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Castle Phoenix Trust's funding agreement with the Secretary of State for Education dated 31 January 2013, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by 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 Multi Academy Trust's income and expenditure.

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

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

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO CASTLE  
PHOENIX TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

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**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 year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Wood FCCA (Reporting Accountant)

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

Date: 17<sup>th</sup> December 2014.

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating income and expenditure account and statement of total recognised gains and losses)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

		Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
	Note					
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Balances transferred on conversion: Hill Farm Primary School	2	420,084	(584,000)	1,991,197	1,827,281	-
Activities for generating funds	3	174,135	-	-	174,135	96,504
Investment income	4	3,276	-	-	3,276	676
Incoming resources from charitable activities	5	160,588	11,297,127	29,431	11,487,146	5,137,537
<b>TOTAL INCOMING RESOURCES</b>		<b>758,083</b>	<b>10,713,127</b>	<b>2,020,628</b>	<b>13,491,838</b>	<b>5,234,717</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds:						
Fundraising expenses and other costs		133,442	-	-	133,442	21,789
Charitable activities		318,141	10,697,384	38,052	11,053,577	4,775,086
Governance costs	7	-	18,900	-	18,900	24,980
Other resources expended	8					
Transfer of liabilities on conversion to academy trust		-	-	-	-	53,772
<b>TOTAL RESOURCES EXPENDED</b>	11	<b>451,583</b>	<b>10,716,284</b>	<b>38,052</b>	<b>11,205,919</b>	<b>4,875,627</b>
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS</b>		<b>306,500</b>	<b>(3,157)</b>	<b>1,982,576</b>	<b>2,285,919</b>	<b>359,090</b>

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Transfers between Funds	21	-	(103,665)	103,665	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>306,500</b>	<b>(106,822)</b>	<b>2,086,241</b>	<b>2,285,919</b>	<b>359,090</b>
Actuarial gains and losses on defined benefit pension schemes		-	(15,000)	-	(15,000)	7,000
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>306,500</b>	<b>(121,822)</b>	<b>2,086,241</b>	<b>2,270,919</b>	<b>366,090</b>
Total funds at 1 September		1,171,035	(834,190)	29,245	366,090	-
<b>TOTAL FUNDS AT 31 AUGUST</b>		<b>1,477,535</b>	<b>(956,012)</b>	<b>2,115,486</b>	<b>2,637,009</b>	<b>366,090</b>

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 45 to 67 form part of these financial statements.

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 08331385**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	18		<b>2,115,486</b>		-
<b>CURRENT ASSETS</b>					
Debtors	19	<b>746,861</b>		1,253,966	
Cash at bank and in hand		<b>2,853,468</b>		1,236,271	
		<b>3,600,329</b>		2,490,237	
<b>CREDITORS:</b> amounts falling due within one year	20	<b>(1,098,806)</b>		(880,147)	
<b>NET CURRENT ASSETS</b>			<b>2,501,523</b>		1,610,090
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>4,617,009</b>		1,610,090
Defined benefit pension scheme liability	27		<b>(1,980,000)</b>		(1,244,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<b>2,637,009</b>		366,090
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
General funds	21	<b>1,023,988</b>		409,810	
Fixed asset funds	21	<b>2,115,486</b>		29,245	
Restricted funds excluding pension liability		<b>3,139,474</b>		439,055	
Pension reserve		<b>(1,980,000)</b>		(1,244,000)	
Total restricted funds			<b>1,159,474</b>		(804,945)
Unrestricted funds	21		<b>1,477,535</b>		1,171,035
<b>TOTAL FUNDS</b>			<b>2,637,009</b>		366,090

The financial statements were approved by the Trustees, and authorised for issue, on 16 December 2014 and are signed on their behalf, by:



**M Friday**  
**Chair of Board of Directors**

The notes on pages 45 to 67 form part of these financial statements.

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

		<b>Year to 31 August 2014 £</b>	<b>7 month period to 31 August 2013 £</b>
	<b>Note</b>		
Net cash flow from operating activities	23	<b>2,199,622</b>	2,385,459
Capital expenditure and financial investment	24	<b>(162,341)</b>	-
Cash transferred on conversion to an academy trust	26	<b>(420,084)</b>	(1,149,188)
<b>INCREASE IN CASH IN THE YEAR</b>		<b>1,617,197</b>	<b>1,236,271</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	<b>Year to 31 August 2014 £</b>	<b>7 month period to 31 August 2013 £</b>
Increase in cash in the year	<b>1,617,197</b>	1,236,271
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>1,617,197</b>	1,236,271
Net funds at 1 September 2013	<b>1,236,271</b>	-
<b>NET FUNDS AT 31 AUGUST 2014</b>	<b>2,853,468</b>	<b>1,236,271</b>

The notes on pages 45 to 67 form part of these financial statements.

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 INCOMING RESOURCES**

All incoming resources are included in the Statement of financial activities when the Multi Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

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

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 RESOURCES EXPENDED**

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

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

Charitable activities are costs incurred in the Multi Academy Trust's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

**1.4 FUND ACCOUNTING**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Multi 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 and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

**1.5 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 academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2014.



**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £1,000 are capitalised.

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

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

Long term leasehold property	-	Land: over 125 years Buildings: over 50 years Improvements: over 10 years
Computer equipment	-	over 3 years

**1.7 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.8 TAXATION**

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

**CASTLE PHOENIX TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2014**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 PENSIONS**

Retirement benefits to employees of the Multi 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 Multi 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 Multi 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 27, the TPS is a multi-employer scheme and the Multi Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**1.10 CONVERSION TO AN ACADEMY TRUST**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Hill Farm Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Castle Phoenix Trust. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 26.

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**2. VOLUNTARY INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Balances transferred on conversion: Hill Farm Primary School	420,084	1,407,197	1,827,281	-
Voluntary income	420,084	1,407,197	1,827,281	-

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Consultancy	39,388	-	39,388	69,181
Fees received	131,922	-	131,922	23,838
Other	2,825	-	2,825	3,485
	174,135	-	174,135	96,504

**4. INVESTMENT INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Bank interest	3,276	-	3,276	676

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
<b>DfE/EFA grants</b>				
Capital Grants	-	29,431	29,431	29,245
General Annual Grant	-	10,330,235	10,330,235	4,665,834
Start up Grants	-	113,000	113,000	120,000
Other DfE/EFA grants	-	475,027	475,027	86,795
Other government grants non capital	-	140,490	140,490	110,500
Internal catering income	7,934	-	7,934	957
Other	152,654	238,375	391,029	124,206
	<u>160,588</u>	<u>11,326,558</u>	<u>11,487,146</u>	<u>5,137,537</u>

**6. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Education	<u>318,141</u>	<u>10,735,436</u>	<u>11,053,577</u>	<u>4,775,086</u>

**7. GOVERNANCE COSTS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Auditors' remuneration	-	15,050	15,050	8,950
Auditors' non audit costs	-	3,850	3,850	4,775
Legal and Professional	-	-	-	11,255
	<u>-</u>	<u>18,900</u>	<u>18,900</u>	<u>24,980</u>

**CASTLE PHOENIX TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. OTHER RESOURCES EXPENDED**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Transfers from Local Authority on conversion	-	-	-	53,772

**9. DIRECT COSTS**

	Year to 31 August 2014	7 month period to 31 August 2013
Pension finance costs	75,000	28,000
Educational supplies	253,836	47,081
Examination fees	179,293	104,964
Staff development	118,312	11,957
Other costs	99,008	28,354
Supply teachers	68,649	2,025
PFI Charge	1,232,987	741,748
Technology costs	28,627	36,489
Wages and salaries	5,359,051	2,347,409
National insurance	409,025	182,625
Pension cost	726,092	325,336
Depreciation	38,052	-
	<b>8,587,932</b>	<b>3,855,988</b>

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**10. SUPPORT COSTS**

	<b>Year to 31 August 2014</b>	<b>7 month period to 31 August 2013</b>
Other costs	5,057	4,403
Recruitment and other staff costs	20,580	5,643
Maintenance of premises and equipment	36,607	47,870
Rent and rates	78,302	32,970
Heat and light	70,891	-
Insurance	81,827	250
Security and transport	21,187	8,855
Catering	53,901	3,710
Technology costs	158,756	120,336
Office overheads	108,118	60,443
Legal and professional	300,679	57,249
Service level agreements	240,265	42,083
Wages and salaries	1,038,077	455,824
National insurance	61,991	30,462
Pension cost	189,407	49,000
	<b>2,465,645</b>	<b>919,098</b>

**11. RESOURCES EXPENDED**

	<b>Staff costs</b>	<b>Non Pay Expenditure</b>		<b>Year to 31 August</b>	<b>7 month period to 31 August</b>
	<b>2014</b>	<b>Premises</b>	<b>Other</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>2014</b>	<b>2014</b>	<b>£</b>	<b>£</b>
Fundraising expenses	-	-	133,442	133,442	21,789
<b>COSTS OF GENERATING FUNDS</b>	<b>-</b>	<b>-</b>	<b>133,442</b>	<b>133,442</b>	<b>21,789</b>
Education	6,494,168	1,271,039	822,725	8,587,932	3,855,988
Support costs - Education	1,289,475	179,087	997,083	2,465,645	919,098
<b>CHARITABLE ACTIVITIES</b>	<b>7,783,643</b>	<b>1,450,126</b>	<b>1,819,808</b>	<b>11,053,577</b>	<b>4,775,086</b>
<b>GOVERNANCE</b>	<b>-</b>	<b>-</b>	<b>18,900</b>	<b>18,900</b>	<b>24,980</b>
	<b>7,783,643</b>	<b>1,450,126</b>	<b>1,972,150</b>	<b>11,205,919</b>	<b>4,821,855</b>

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**12. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2014 £	Support costs 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Education	<b>8,587,932</b>	<b>2,465,645</b>	<b>11,053,577</b>	<b>4,775,086</b>

**13. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Depreciation of tangible fixed assets: - owned by the charity	<b>38,052</b>	-
Auditors' remuneration	<b>15,050</b>	<b>8,950</b>

**14. STAFF**

**a. Staff costs**

Staff costs were as follows:

	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Wages and salaries	<b>6,397,128</b>	<b>2,803,233</b>
Social security costs	<b>471,016</b>	<b>213,087</b>
Other pension costs (Note 27)	<b>915,499</b>	<b>374,336</b>
	<b>7,783,643</b>	<b>3,390,656</b>

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**14. STAFF (continued)**

**b. Staff numbers**

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

	<b>Year to 31 August 2014 No.</b>	<b>7 month period to 31 August 2013 No.</b>
Teaching Staff	<b>109</b>	<b>81</b>
Support Staff	<b>86</b>	<b>45</b>
Leadership	<b>23</b>	<b>17</b>
	<b>218</b>	<b>143</b>

**c. Higher paid staff**

The number of employees whose emoluments fell within the following bands was:

	<b>Year to 31 August 2014 No.</b>	<b>7 month period to 31 August 2013 No.</b>
In the band £60,001 - £70,000	<b>2</b>	<b>3</b>
In the band £70,001 - £80,000	<b>1</b>	<b>1</b>
In the band £80,001 - £90,000	<b>0</b>	<b>1</b>
In the band £100,001 - £110,000	<b>1</b>	<b>0</b>
In the band £110,000 - £120,000	<b>0</b>	<b>1</b>
	<b>4</b>	<b>6</b>

Employer's pension contributions made on behalf of the above employees for the year were £43,870 (7 month period to 31 August 2013: £34,428).



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**15. TRUSTEES' REMUNERATION AND EXPENSES**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Multi Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration, including pension contributions in the year (7 month period to 31 August 2013) was:

	<b>Year to 31 August 2014 £</b>	<b>7 month period to 31 August 2013 £</b>
M Marr	<b>115,000-120,000</b>	70,000-75,000
E Over	<b>n/a</b>	25,000-30,000
A Davoile	<b>n/a</b>	25,000-30,000

During the year, no Trustees received any benefits in kind (2013: £NIL).

During the year, no Trustees received any reimbursement of expenses (2013: £NIL).

**16. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Multi Academy Trust has purchased insurance to protect Trustees 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.

**17. OTHER FINANCE INCOME**

	<b>Year to 31 August 2014 £</b>	<b>7 month period to 31 August 2013 £</b>
Expected return on pension scheme assets	<b>53,000</b>	24,000
Interest on pension scheme liabilities	<b>(128,000)</b>	(52,000)
	<b><u>(75,000)</u></b>	<b><u>(28,000)</u></b>

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**18. TANGIBLE FIXED ASSETS**

	Long term leasehold property £	Computer equipment £	Total £
<b>COST</b>			
At 1 September 2013	-	-	-
Additions	146,541	15,800	162,341
Transfer on conversion	1,991,197	-	1,991,197
At 31 August 2014	<u>2,137,738</u>	<u>15,800</u>	<u>2,153,538</u>
<b>DEPRECIATION</b>			
At 1 September 2013	-	-	-
Charge for the year	38,052	-	38,052
At 31 August 2014	<u>38,052</u>	<u>-</u>	<u>38,052</u>
<b>NET BOOK VALUE</b>			
At 31 August 2014	<u>2,099,686</u>	<u>15,800</u>	<u>2,115,486</u>
At 31 August 2013	<u>-</u>	<u>-</u>	<u>-</u>

**19. DEBTORS**

	2014 £	2013 £
Trade debtors	91,222	36,188
Other debtors	403,115	1,149,188
Tax recoverable	252,524	68,590
	<u>746,861</u>	<u>1,253,966</u>

**20. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Trade creditors	127,817	61,339
Other taxation and social security	140,372	106,891
Other creditors	158,361	100,848
Accruals and deferred income	672,256	611,069
	<u>1,098,806</u>	<u>880,147</u>

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**21. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>						
General funds	1,171,035	758,083	(451,583)	-	-	1,477,535
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	229,563	10,334,035	(9,435,945)	(103,665)	-	1,023,988
Higher Needs funding	-	1,800	(1,800)	-	-	-
Pupil Premium (PP)	-	405,074	(405,074)	-	-	-
Start Up Grant (SUG)	61,808	113,000	(174,808)	-	-	-
Other EFA grants	2,528	28,341	(30,869)	-	-	-
Other Government grants	110,500	177,502	(288,002)	-	-	-
OB2L funding	5,411	-	(5,411)	-	-	-
Teaching school income	-	237,375	(237,375)	-	-	-
Pension reserve	(1,244,000)	(584,000)	(137,000)	-	(15,000)	(1,980,000)
	(834,190)	10,713,127	(10,716,284)	(103,665)	(15,000)	(956,012)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	-	1,991,197	(38,052)	-	-	1,953,145
Fixed assets purchased from GAG	-	-	-	103,665	-	103,665
Devolved Formula Capital grants	29,245	29,431	-	-	-	58,676
	29,245	2,020,628	(38,052)	103,665	-	2,115,486
Total restricted funds	(804,945)	12,733,755	(10,754,336)	-	(15,000)	1,159,474
Total of funds	366,090	13,491,838	(11,205,919)	-	(15,000)	2,637,009

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. STATEMENT OF FUNDS (continued)**

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

**RESTRICTED FUNDS:**

**General Annual Grant (GAG)** - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

**Higher Needs funding** - Funding received by the Local Authority to fund further support for students with additional needs.

**Pupil Premium (PP)** - Income from the EFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the students who need it most.

**Start Up Grant (SUG)** - Income from the EFA to cover costs in the conversion to an academy process.

**Other EFA/DfE and Government grants** - Income which has been received for specific purposes.

**OB2L funding** - Overcoming Barriers to Learning. Funding from Coventry City Council to help ensure that the whole community, including students, parents, providers and local agencies, aspire to improve students' life chances through educational achievement and a relentless focus on overcoming significant barriers to learning.

**Teaching school income** - Income from the DfE which is used to fund CPD, School to School support, SLEs, succession planning / talent management, research and development along with making initial teacher training increasingly school led through ITT and School Direct.

**Pension reserve** - This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme (LGPS).

**CAPITAL GRANTS:**

**Fixed assets transferred on conversion** - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

**Fixed assets purchased from GAG** - This represents capital assets that have been purchased out of restricted GAG funding.

**Devolved Formula Capital (DFC)** - This represents funding from the EFA to cover maintenance and purchase of the schools assets.

**TRANSFERS BETWEEN FUNDS:**

The transfers between the restricted, unrestricted and restricted fixed asset fund represents the transfer of capital expenditure from the General Annual Grant (GAG) and unrestricted funds during the year.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

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**21. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2014 were allocated as follows:

	Total £
Caludon Castle School	1,868,294
Hill Farm Primary School	633,229
	<hr/>
Total before fixed asset fund and pension reserve	2,501,523
Restricted fixed asset fund	2,115,486
Pension reserve	(1,980,000)
	<hr/>
Total	2,637,009
	<hr/>

**ANALYSIS OF ACADEMIES BY COST**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciatio n £	Total £
Caludon Castle School	4,950,761	1,031,178	453,534	2,335,397	8,770,870
Hill Farm Primary School	1,589,897	218,456	114,251	337,393	2,259,997
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,540,658	1,249,634	567,785	2,672,790	11,030,867
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	1,171,035	758,083	(451,583)	-	-	1,477,535
Restricted funds	(834,190)	10,713,127	(10,716,284)	(103,665)	(15,000)	(956,012)
Restricted fixed asset funds	29,245	2,020,628	(38,052)	103,665	-	2,115,486
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	366,090	13,491,838	(11,205,919)	-	(15,000)	2,637,009
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Tangible fixed assets	-	-	2,115,486	2,115,486	-
Current assets	1,519,632	2,080,697	-	3,600,329	2,490,237
Creditors due within one year	(42,097)	(1,056,709)	-	(1,098,806)	(880,147)
Pension scheme liability	-	(1,980,000)	-	(1,980,000)	(1,244,000)
	<u>1,477,535</u>	<u>(956,012)</u>	<u>2,115,486</u>	<u>2,637,009</u>	<u>366,090</u>

**23. NET CASH FLOW FROM OPERATING ACTIVITIES**

	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Net incoming resources before revaluations	2,285,919	359,090
Net assets transferred on conversion	(1,407,197)	1,210,000
Depreciation of tangible fixed assets	38,052	-
Decrease/(increase) in debtors	927,189	(104,778)
Increase in creditors	218,659	880,147
Increase in provisions	152,000	34,000
Defined benefit pension scheme adjustments	(15,000)	7,000
<b>NET CASH INFLOW FROM OPERATIONS</b>	<u>2,199,622</u>	<u>2,385,459</u>

**24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	Year to 31 August 2014 £	7 month period to 31 August 2013 £
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		
Purchase of tangible fixed assets	<u>(162,341)</u>	<u>-</u>

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**25. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	1,236,271	1,617,197	-	2,853,468
<b>NET FUNDS</b>	<b>1,236,271</b>	<b>1,617,197</b>	<b>-</b>	<b>2,853,468</b>

**26. CONVERSION TO AN ACADEMY TRUST**

On 1 September 2013 Hill Farm Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Castle Phoenix Trust from Coventry City Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as other resources expended.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Year to 31 August £
Freehold land and buildings	-	-	1,991,197	1,991,197
Budget surplus/(deficit) on LA funds for Hill Farm Primary School	403,115	-	-	403,115
Surplus on Caludon Castle School	16,969	-	-	16,969
LGPS pension surplus/(deficit)	-	(584,000)	-	(584,000)
<b>Net assets/(liabilities)</b>	<b>420,084</b>	<b>(584,000)</b>	<b>1,991,197</b>	<b>1,827,281</b>

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**27. PENSION COMMITMENTS**

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

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

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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**

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

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

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

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

**Teachers' Pension Scheme Changes**

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



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**27. PENSION COMMITMENTS (continued)**

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

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

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

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £241,000, of which employer's contributions totalled £169,000 and employees' contributions totalled £72,000. The agreed contribution rates for future years are 21.3% for employers and 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.

As described in note 26 the LGPS obligation relates to the employees of the Multi Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Multi Academy Trust at the balance sheet date.

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**27. PENSION COMMITMENTS (continued)**

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	7.00	502,000	7.00	336,000
Bonds	2.90	89,000	3.40	67,000
Property	6.20	97,000	5.70	69,000
Cash	0.50	49,000	0.50	33,000
Other bonds	3.80	115,000	4.40	89,000
Other	7.00	265,000	7.00	200,000
Total market value of assets		<u>1,117,000</u>		<u>794,000</u>
Present value of scheme liabilities		<u>(3,097,000)</u>		<u>(2,038,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,980,000)</u></u>		<u><u>(1,244,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Present value of funded obligations	(3,097,000)	(2,038,000)
Fair value of scheme assets	<u>1,117,000</u>	<u>794,000</u>
Net liability	<u><u>(1,980,000)</u></u>	<u><u>(1,244,000)</u></u>

The amounts recognised in the Statement of financial activities are as follows:

	Year to 31 August 2014 £	7 month period to 31 August 2013 £
Current service cost	(231,000)	(97,000)
Interest on obligation	(128,000)	(52,000)
Expected return on scheme assets	<u>53,000</u>	<u>24,000</u>
Total	<u><u>(306,000)</u></u>	<u><u>(125,000)</u></u>

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**27. PENSION COMMITMENTS (continued)**

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

	<b>Year to 31 August 2014 £</b>	<b>7 month period to 31 August 2013 £</b>
Opening defined benefit obligation	<b>2,038,000</b>	-
Current service cost	<b>231,000</b>	97,000
Interest cost	<b>128,000</b>	52,000
Contributions by scheme participants	<b>72,000</b>	29,000
Actuarial Losses	<b>44,000</b>	-
Liability transferred on conversion	<b>584,000</b>	1,860,000
	<hr/>	<hr/>
Closing defined benefit obligation	<b>3,097,000</b>	2,038,000
	<hr/>	<hr/>

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

	<b>Year to 31 August 2014 £</b>	<b>7 month period to 31 August 2013 £</b>
Opening fair value of scheme assets	<b>794,000</b>	-
Expected return on assets	<b>53,000</b>	24,000
Actuarial gains and (losses)	<b>29,000</b>	7,000
Contributions by employer	<b>169,000</b>	84,000
Contributions by employees	<b>72,000</b>	29,000
Asset transferred on conversion	-	650,000
	<hr/>	<hr/>
	<b>1,117,000</b>	794,000
	<hr/>	<hr/>

The Multi Academy Trust expects to contribute £234,000 to its Defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2014</b>	<b>2013</b>
Equities	<b>45.00 %</b>	42.40 %
Bonds	<b>7.90 %</b>	8.40 %
Property	<b>8.70 %</b>	8.70 %
Cash	<b>4.40 %</b>	4.10 %
Other bonds	<b>10.30 %</b>	11.20 %
Other	<b>23.70 %</b>	25.20 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>2014</b>	<b>2013</b>
Discount rate for scheme liabilities	<b>4.00 %</b>	4.60 %
Expected return on scheme assets at 31 August	<b>5.88 %</b>	5.89 %
Rate of increase in salaries	<b>3.95 %</b>	4.15 %
Rate of increase for pensions in payment / inflation	<b>2.20 %</b>	2.40 %

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**27. PENSION COMMITMENTS (continued)**

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

	<b>2014</b>	<b>2013</b>
Retiring today		
Males	<b>22.9</b>	22.1
Females	<b>25.5</b>	24.8
Retiring in 20 years		
Males	<b>25.1</b>	23.9
Females	<b>27.8</b>	26.7

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit obligation	<b>(3,097,000)</b>	(2,038,000)	-	-	-
Scheme assets	<b>1,117,000</b>	794,000	-	-	-
Deficit	<b>(1,980,000)</b>	(1,244,000)	-	-	-
Experience adjustments on scheme liabilities	<b>(44,000)</b>	-	-	-	-
Experience adjustments on scheme assets	<b>29,000</b>	7,000	-	-	-

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**28. OPERATING LEASE COMMITMENTS**

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

	<b>Land and buildings</b>			<b>Other</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>EXPIRY DATE:</b>				
Within 1 year	-	-	<b>520</b>	-
Between 2 and 5 years	-	-	<b>33,038</b>	<b>21,451</b>

**29. RELATED PARTY TRANSACTIONS**

During the year to 31 August 2014 there were no related party transactions (7 month period to 31 August 2013: none).

**30. CONTROLLING PARTY**

Due to the nature of the entity, there is no controlling party.

