

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 31
Governance statement	32 - 36
Statement on regularity, propriety and compliance	37
Statement of Trustees' responsibilities	38
Independent auditors' report on the financial statements	39 - 40
Independent reporting accountant's assurance report on regularity	41 - 42
Statement of financial activities incorporating income and expenditure account	43
Balance sheet	44
Statement of cash flows	45
Notes to the financial statements	46 - 68

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016**

Trustees M Friday, Chair¹
C Saunders (resigned 17 April 2016)
L Hancock¹
I Boyce (resigned 29 November 2015)¹
M Marr¹
P Simpson
W Taylor-Dowson
R Winters
H Reilly (appointed 25 May 2016)

¹ Member

All the Trustees listed above are also Directors of the Company Limited by Guarantee.

**Company registered
number**

08331385

Company name

Castle Phoenix Trust

**Principal and registered
office**

Castle Phoenix Trust
Axholme Road
Wyken
Coventry
CV2 5BD

Company secretary

H Harrison

Accounting officer

M Marr

**Senior/Strategic
leadership team**

CALUDON CASTLE:
M Marr, CEO
A Dudgeon, Associate Head
C Waring, Deputy Head
A Rayns, Deputy Head
A Morgan, Deputy Head
A Gallagher, Assistant Head
HILL FARM:
C Jones, Headteacher
V Muir, Deputy Head
L Page, Deputy Head
C Nyman, Deputy Head
KINGSBURY:
M Clarke, Headteacher
D Hart, Assistant Head
M Carrick, Assistant Head
J Elmer, Deputy Head

Independent auditors

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

**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 2016**

Advisers (continued)

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 2016**

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

Castle Phoenix Trust operates a primary academy; Hill Farm in Coventry and two secondary academies; Caludon Castle in Coventry and Kingsbury in Tamworth. Kingsbury School joined Castle Phoenix Trust on 1 April 2016. Its academies have a combined pupil capacity of 2,853 and had a roll of 2,798 in the school census on 19 May 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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 Castle Phoenix 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 Trustees, also referred to as Governors, sit on the HR & Governance Committee, Finance & Resources Committee and Local Governing Body Committees of Caludon Castle School, Hill Farm Primary and Kingsbury School. The Charitable Company is known as Castle Phoenix Trust.

Details of the Trustees/Governors who served throughout the year 1 September 2015 to 31 August 2016, except as noted, are included in the Governance Statement.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at Castle Phoenix 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 Castle Phoenix 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 Castle Phoenix Trust. The limit of this indemnity is £25million.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 1 September 2013 the Board of Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Castle Phoenix 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.

Castle Phoenix Trust's Board of Directors and other Governors Committees shall comprise of the following, 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, Hill Farm Primary or Kingsbury School.
- 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.
- The Members may appoint up to 1 Governor save that no more than one third of the total number of

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 Castle Phoenix 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. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

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.

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 keep the Board of Directors regularly informed of the committee's activities and key decisions.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 judgment 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 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.

Castle Phoenix 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.

The senior leadership team of each academy is made up as follows:

Caludon Castle Senior Leadership Team (SLT) consists of the Headteacher, Associate Head, three Deputy Heads and an Assistant Head.

Hill Farm Strategic Leadership Team consists of the Headteacher and three Deputy Heads.

Kingsbury Leadership team consists of the Headteacher, two Assistant Heads and a Deputy Head.

The Chief Executive/Headteacher of Caludon, Headteacher of Hill Farm, Headteacher of Kingsbury, 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 / Headteachers ensure 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.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the individual Academies in charge of directing and controlling, running and operating the Trust on a day to day basis. With the exception of staff Trustees, all Trustees give their time freely and no Trustee received remuneration in the year.

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

The HR & Governance Committee develop and recommend remuneration strategy and policy (including performance management and pay 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 staff to deliver the Trust's mission and meet the strategic plan objectives, in order to appropriately determine the salaries

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

of the SLT.

Connected Organisations, including Related Party Relationships

Caludon Castle School was rebuilt in 2007 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.
- Parkwood; 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.

The Sixth Form at Kingsbury School is operated under an agreement with North Warwickshire and Hinckley College. Funding is received direct from the college and students attend on a consortia basis.

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.

Castle Phoenix Trust working values are:

- Trust
- Honesty
- Respect
- Empowerment
- Excellence

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The key aims of Castle Phoenix Trust during the year ended 31 August 2016 are:

- To provide support and challenge to schools within the Trust;
- To constructively, positively and collaboratively work with head teachers within the Trust to develop consistently outstanding practice;
- To share outstanding practice throughout the Trust;
- To identify strengths and 'even better if's' based on in depth knowledge of each school and to ensure that challenging and achievable targets are set;
- To ensure that staff within the Academies understand the ethos and vision of the Trust and practice reflects this;
- To ensure that head teachers are seen as the leading professional in their schools and keep their autonomy;
- To ensure excellent provision for CPD including leadership development;
- To provide central services for finance, premises management, HR and governance to enable school leaders to focus on teaching and learning;
- The Chair of each Trust committees reports to the Board of Directors on a termly basis and their reports include:
 - Committee approvals
 - Key agenda items discussed
 - Challenges ahead
 - Strengths / Successes
 - Next steps

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

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

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

**Objectives, Strategies and Activities
What is the Castle Phoenix Trust?**

The Castle Phoenix Trust is a growing multi-academy trust which was founded in February 2013 on the success of the Caludon Castle Teaching School (the original trust member). Currently there are 3 schools within the Trust – Caludon Castle School (Coventry), Kingsbury Secondary School (Warwickshire) and Hill Farm Primary School (Coventry).

The ethos behind the Trust is one of sustainable school improvement through shared understanding and collaboration; and schools joining the Trust do so with the prime aim of improving each other so that they can all become outstanding schools.

Vision

"Our vision is to ensure that The Trust has well qualified staff, meets pupils' individual needs; offers equal opportunities for all; encourages responsible citizenship; celebrates pupils' strengths and achievements; develops positive behaviours for learning in a well ordered environment; promotes learning in a caring and supportive atmosphere; works in partnership with parents and all stakeholders including the wider community".

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

All schools within the Trust have access to the professional expertise and development opportunities offered by the Castle Phoenix Teaching School Alliance. This ever growing alliance also ensures that Trust partners have access to bespoke leadership development opportunities such as NPQH, NPQSL, NPQML, and aspiring leading programmes.

The Trust supports school improvement and develops school leadership

The aim of The Teaching School is to support schools within and beyond the alliance through:

- School Improvement
- Initial Teacher Training (ITT)
- Continuing Professional Development (CPD) and Leadership Development
- Research and Development (R&D)
- System Leaders such as NLEs, LLEs, SLEs

The Teaching School is available to offer further support to all schools attached to the Castle Phoenix Trust through a wide range of expertise, nurture and challenge, as well as identifying and developing talent within those schools. Castle Phoenix Trust children will have the very best educational provision, experience and challenge available, ensuring all will maximise their potential.

The Trust offers the following to schools:

Conversion support

Schools joining the Trust are supported through the conversion process by the Trust's Directors of Finance and HR.

School improvement and review

- Schools within the Trust work together to identify their priorities for development and to share their expertise. A KPI (Key Performance Indicators) and SEF document forms the basis of a Headteacher's report for local governing bodies and the Board of Directors to enable them to fulfil their challenge role. External appropriately qualified and experienced challenge partners are commissioned for each school. The BOD has commissioned a Trust challenge partner who externally reviews the key documents and prepares a Trust performance summary to support the directors challenge role.

Schools' Improvement Quality Assurance Process

- There are regular school improvement discussions to evaluate the development and impact on :-
 - effectiveness of leadership and management including suitability of curriculum;
 - teaching;
 - learning and assessment;
 - personal development;
 - behaviour and welfare of children;
 - safeguarding;
 - outcomes for children and learners.
- Progress meetings between the Chief Executive/ Trust improvement partner and head teacher / key staff enable review of attendance and achievement performance
- The Chief Executive is responsible for reports to be sent to the Chair of the Board of Directors and the Chair of the Local governing body to validate the academies' performance. At the end of the year, the final report will be presented to the chair of the LGB and chair of the Board of Directors. These reports will be informed by external quality assurance. This can be learning walks, lesson observations, work scrutiny, pupil voice, planning, discussions with leaders. The level and frequency of quality assurance will be dependent on the overall effectiveness and needs of the academy.

Outline of Central Services

The mission of CPT Central Services is to provide quality, timely, comprehensive and efficient services. Through the skills of our staff, procurement of external specialised advisory services, the use of technology and through building strong relationships, we deliver high standards of professional competency, conduct and confidentiality and provide advice and assistance in accordance with the needs of academies within the Trust whether that be in connection with School Improvement Services, Finance, Premises, HR, Governance and ICT.

Core service support includes a termly review visit in connection with services generally and additional regular central service meetings for each aspect covered by central services.

Due Diligence

The Trust places significant importance on instigating robust due diligence for all areas of central services. The due diligence process ensures that the Trust gets to know what working practices are in place and the nature of any current or historical challenges, and, importantly, it also ensures that the Trust gets to know staff and what is important to them. Such rigorous practice will ensure that the Trust is well placed to provide strategic support to all academies within the Trust and to safeguard sustainability and effectiveness of the Trust as a legal and financially sound entity.

Central Service cost

3.2% of GAG for each financial year with an agreement to review at the end of each year. Payment terms and conditions would be agreed at an appropriate time.

Finance and HR management

Finance and Business Managers receive support from the Directors of Finance and HR, and work together as a group to develop and share practice. Schools in the Trust use a common finance management system. The Trust is responsible for ensuring that schools meet the requirements for the annual accounts. A quick response to HR support is available including recruitment.

Economies of scale

As the Trust grows schools will increasingly enjoy the benefits of collective contracts e.g. for payroll, legal support, HR and insurance.

Joint policy development

While the Trust does not seek to impose central policies on schools, there have to be some policies which are common across the Trust eg. pay policy. These have been developed jointly through discussion within a strategic Heads group (Executive Management Team) and with staff. Such common policy development also saves individual schools from having to 're-invent the wheel' when statutory policies need reviewing or updating.

Opportunity to be part of growing and developing the Trust

Through the Executive Management Team of Head teachers, schools within the Trust have the opportunity to shape and grow the Trust. Each school is invited to identify its strengths and the offer it can make to the other schools.

Collaborative Opportunities

- Shared posts
- Shared learning and teaching conferences
- Curriculum groups
- Shared CPD
- A central pupil welfare team

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- Specialists across the Trust
- Showcasing excellent practice

Joint Trust Development

Each year, schools within the Trust identify an aspect of Trust performance that they wish to improve (for example – Challenge, Maths, English, Assessment, SMSC, Community links etc.) All schools within the trust contribute to this development.

They will AUDIT current practice, then schools will SHARE their strategies. Schools will have an opportunity to visit each other to REVIEW and evaluate the impact of their strategies. The aim is to IMPROVE on an agreed strategic theme across the Trust.

Caludon Castle School

Priority 1 - Learning and Teaching

- To ensure that the quality of teaching is consistently and typically good with many examples of outstanding practice evident.

Strategic Action

- Develop Leaders of Learning roles
- Ensure the Learning and Teaching Conference sets the context for the enhancement of the learning and teaching agenda
- Learning and Teaching pedagogy and training combine with the performance management agenda to facilitate teacher progression.
- Action Research/PEG is introduced as a tool to improve the quality of teaching.

Key Performance Indicators

- All teaching is green or gold on Teaching Profile (consistently good)
- Performance management L&T targets are facilitated through: Action Research; coaching; CPD; resource booklets
- The Learning and Teaching Conference ensures greater focus on all aspects of the L&T agenda in lessons
- Lesson planning includes consolidation (testing) of the learning and provides opportunities for students to practise and apply their knowledge and skills.

Priority 2 – Assessment without Levels

- In response to government guidelines, assessment without levels will be implemented. This will be applied to key stage 3 – years 7, 8 and 9 and for year 10 in English and Maths.

Strategic Action

- Map KS2 national curriculum levels to the four ability bands
- Produce 'progression of learning maps' for Years 7 -11 to ensure learning progresses within bands from year to year
- Base line year 7 through tests and assignments to use alongside their KS2 assessments to allocate students to an appropriate ability band
- Set home learning, progress checks and termly assignments linked to the ability bands so that teachers can assess students' progress within the bands
- Record student progress termly against the bands using SIMs and use to identify any underachievement

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- Schemes of learning are being written to accommodate four ability bands – Excellence aimed at A*/A grades, Securing aimed at B/C+ grades, Developing aimed at C/D+ grades, and Foundation aimed at D/G grades. Students who are on track to achieve their target grades will be identified as 'green' during data collections and will be demonstrating the knowledge, skills, and understanding identified within their band. The schemes of learning show progression over time within each band.

Key Performance Indicators

- Schemes of Learning are challenging and demonstrate progression of learning within the bands
- Home learning is differentiated to meet student needs
- Progress checks, tests and end of term assignments are linked to the band expectations and provide opportunities for individuals to consolidate, practise and apply their learning
- Students remain on track throughout the year and there is evidence to show student progress is at least good.

Priority 3 - Intervention

- To embed the literacy essentials throughout the curriculum.

Strategic Action:

- Literacy is split into three sub sections: reading; writing and oracy. Three leaders will have responsibility for one of these areas
- Literacy strategies to be embedded this year in all subject areas
- Literacy Bitesize Sessions will continue along with targeted sessions where strategies can be shared along with a Literacy specialist
- Student Support Mentors need to be able to speak more fluently about the impact they are having with their differentiated interventions.

Key Performance Indicators

- Teachers promote high literacy expectations, by using the literacy essentials. This will enforce all students to improve and embed their understanding of the necessary techniques needed for their examinations and their futures
- Teachers consistently mark for literacy using the Caludon literacy marking policy and when appropriate to give students a literacy target using the literacy essentials. Students will become used to actioning targets and will therefore start to proof read their work and check for their own literacy
- Teachers ensure that the school's standards for oracy are met. By embedding oracy into lessons it will encourage students to become clear and coherent speakers and this will have an effect on their written skills
- All staff encourage the students to become involved in the Caludon Reading Community. By encouraging reading students will start to develop their understanding of vocabulary and its meaning. This will have an effect on how they answer examination questions.

Priority 4 – Behaviour for Learning

- To reduce the number of exclusions and improve punctuality to lessons.

Strategic Action

- Implement 'Sharp Start' policy to improve punctuality to lessons
- Ensure that BfL is a consistent focus of QA activities
- Facilitate year team ownership of behaviour panel issues through daily meeting/liaison between LT line manager and year leader to review behaviour of year group
- Facilitate faculty/subject ownership of behaviour through LT line management
- Develop independent learning skills through Teaching and Learning approaches; raising esteem through specific focus on learning and application of KSU to demands of linear/terminal exams.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Key Performance Indicators

- Continued reduction of fixed term exclusions
- Reduction in other behaviour indicators by year group
- More pro-active approaches by faculty leaders to address behaviour
- Improved punctuality to school and lessons
- Students continue to enjoy. And be engaged in their learning
- Student resilience is developed as a result of implementing strategies for increasing student confidence.

Priority 5 – Attendance

- To reduce the persistent attendance <(90%) and improve the attendance of students in year 11 with attendance less than 92%.

Strategic Action

- Attendance group (Year leaders, Pastoral admin lead, Deputy Head, Education Welfare Officer (EWO)) will continue to meet weekly with a particular focus on targeted groups of students with the poorest attendance
- Letters to be sent to a number of year 11 students who had an attendance last year that was less than 92%. They will meet with Deputy Head and EWO to discuss ways to improve and will be presented with the Maths exam results finding showing 0 or less VA for students with similar attendance rates last year.
- Implement a structured 5 staged process for students for whom attendance is a concern
- Provide structured catch up opportunities for Year 11 students who miss core subject lessons (En, Ma, Sc).

Key Performance Indicators

- Attendance target – 96%
- PA target – at least below 5%
- Attendance percentage targets:

Year 7	96.5
Year 8	96.0
Year 9	96.0
Year 10	95.5
Year 11	95.5
- Attendance is at least good and in the upper quartile when compared to schools nationally (i.e. 96%).
- Persistent absenteeism is reduced at least in line with national expectations for absence for 10% or more sessions.
- Attendance of targeted Year 11 (whose attendance is below 92%) improves.
- In particular, the closing of the attendance gap for pupil premium students is maintained for 2016 and remains at least in line with national expectations.
- Absence with subjects is monitored and strategies implemented to address gaps in learning ensure students' progress is not adversely affected.

Priority 6 – Leadership and Management

- To further refine the school's quality assurance process so that the impact of action can be evaluated and next steps identified.

Strategic Action

- Each member of the senior leadership team is responsible for a Strategic Priority and their school improvement team oversees the strategic direction of this priority and supports action to meet the annual key performance indicators.
- Selected members of the leadership team are responsible for key priority groups (SEND, PP, Most able, Post 16, Maths and Science). Their role is to evaluate the progress of these groups following termly data

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

collections. They also lead focus groups represented by staff from all faculties to promote strategies that will improve student progress, to partake in training and undertake quality assurance.

- Selected members of the leadership team are responsible for the faculty and subject key priorities. Their role is to oversee the termly subject milestones and action plans and also to carry out termly quality assurance through the teacher profiles, spot observations, work scrutiny and student conversations.
- The Strategic Management group is responsible for the quality assurance of teaching within their faculties and also the focus group priorities.

Key Performance indicators

- The quality assurance schedule is implemented to demonstrate effective monitoring of the subject priorities and also the quality of teaching within faculty areas. Areas of strength are shared and areas for development are addressed.
- Student progress within the identified key priority groups improves further and is above the national expectations

Plans for Future Periods

The key foci and intended impact for 2016/17 are:

1. What are you doing to strengthen the KS3 curriculum?
The KS3 curriculum builds on KS2 and provides progression, challenge and engagement.
2. What are you doing to make sure your most able pupils are being stretched?
Pupils in the 'Excellence band' are making expected progress
3. What steps are you taking to improve outcomes for our most vulnerable pupils, particularly those on free school meals?
The achievement gap for pupils on FSM compared to non-FSM closes.
SEND pupils make at least expected progress
4. What are you doing to ensure that teaching and learning in your faculty is 'great'?
Faculties have identified non-negotiable aspects of learning for each year group. Key misconceptions are identified and consistent methods to address these are adopted.
5. What are you doing to demonstrate a student is making progress and gaps in their learning are addressed?
The majority of pupils make expected progress. Formative and summative assessment links appropriately to the different bands
6. Increase resilience of our pupils so that they are better prepared for learning and being challenged.
Pupils can evidence examples of showing resilience and have strategies to increase their resilience.
7. Pupils take greater responsibility for academic achievement and their personal development.
Pupils' aspirations are high and they have a desire to achieve their best by completing their year challenges and keep on track with academic achievement. The majority of pupils successfully graduate.
8. Pupils demonstrate readiness to learn and are able to reflect on their learning attributes and identify goals for improving their learning.
Pupils' punctuality and attendance is good and year monitoring demonstrates pupils have good learning habits, good organisation and positive participation.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Hill Farm Primary

In 2015 - 16, the School Development Plan was focused on achieving four key performance indicators:

- The attainment of all groups will be broadly in line with the national average. If below, attainment at Age Related Expectation will have improved rapidly.
- The proportion of children making or exceeding expected progress in reading, writing and maths will be at least in line with national.
- All teaching across the school will be securely and consistently good or better.
- Attendance will rise to 96.1% (in line with national and above similar schools) and persistent absence at 10% will be reduced to 8% or below.

Key priorities as set out in the School Development Plan for 2015 – 16 were:

Key Priority 1 – Leadership and Management

To build leadership capacity so that leaders at all levels play a significant role in driving and securing school improvement.

Key foci:

- Embed a culture of accountability based on a shared drive to strongly improve outcomes for all groups of children.
- Establish a clearly defined leadership structure, encompassing senior and middle leader roles.
- Develop the role of senior leaders in leading school self-evaluation and using the outcomes of this to impact on school improvement.
- Develop the role of senior leaders in developing staff and securing high quality teaching and learning within their areas of responsibility.
- Further develop the role of the Local Governing Body in monitoring school performance and holding leaders to account.

Planned outcomes:

Senior leaders will demonstrate:

- A clear understanding of the strengths and areas for improvement within their areas of responsibility and the school as a whole;
- Evidence of improvement planning, self-evaluation, action and impact, resulting in improved outcomes for children;
- Sustained high quality teaching and learning within their year group and area of responsibility.

Each member of the Local Governing Body will:

- Be involved in directly holding leaders to account through 1:1 meetings; presentations to the LGB and receiving reports on progress and impact within their allocated area of responsibility.
- Demonstrate evidence of how they have used the outcomes of monitoring and evaluation to impact on improving school performance.
- Have a clear understanding of whole school strengths and areas of improvement, drawing upon a range of evidence, including first-hand monitoring and evaluation.

Key Priority 2 – Teaching and Learning

To further improve and embed high quality teaching and learning across the school so that all children benefit from teaching that is at least good.

Key foci:

- Make effective use of formative and summative assessment to monitor progress and accurately match work to pupils needs, enabling them to learn well in lessons and over time.
- Develop the use of assessment for learning strategies to monitor progress, reshape teaching and improve

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- learning in lessons.
- Further develop the way in which teachers question pupils in order to deepen knowledge and understanding.
- Develop teacher's subject and pedagogical knowledge and understanding in English and Maths to support the effective delivery of the National Curriculum.

Planned outcomes:

Planning will demonstrate:

- Appropriate pitch to enable the majority of children to achieve at least in line with Age Related Expectations.
 - A clear and appropriate sequence of learning which builds progressively within lessons and over time.
- Teaching will demonstrate:
- Appropriate pitch and expectation to meet the needs of all groups of children.
 - Effective questioning to probe children's responses and enable them to make at least good progress.
 - Effective use of assessment for learning to monitor progress and reshape progress in order to promote good progress.
 - Learning that sustains children's interest and challenges their thinking.

Key Priority 3 – Personal Development, Behaviour and Welfare

To enable all children to take a full, positive and active role in all aspects of school life.

Key foci:

- Maintain high expectations of behaviour and attitudes to learning.
- Improve overall attendance, reduce persistent absence and improve rates of punctuality.
- Develop pupil voice.
- Develop provision for PSHE, RE and SMSC.

Planned outcomes:

Children will demonstrate:

- At least good behaviour and attitudes to learning.
- An eagerness to use feedback to improve their learning.
- A clear understanding of how to keep themselves healthy and safe.
- Tolerance and respect for others.

Attendance will improve so that:

- Attendance for the school is at least 96.1% (in line with national average and above similar schools).
- Persistent absence at 10% is reduced to 8% or below.
- 98%+ of children will consistently arrive at school on time.
- School and Class Councils will be actively involved in directing and evaluating aspects of the school's work.

Key Priority 4 – Early Years Foundation Stage

To further develop practice and provision across the EYFS so that end of year outcomes are good.

Key foci:

- Implement baseline assessment and termly tracking processes to monitor progress and inform provision.
- Develop the use of regular and precise assessments to monitor progress, reshape teaching and ensure all activities are sufficiently challenging.
- Develop curriculum provision so that it is equally strong in all areas of learning.
- Further develop the use of intervention strategies to close gaps for individuals/groups of children and between areas of learning.
- Develop the use of the outdoor area to promote and enhance children's learning.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Planned outcomes:

Teaching and Learning:

- All teaching will be securely and consistently good or better.
- Regular and precise assessment of children's learning and development will be used to ensure that all aspects of provision promote good progress for all groups of children.

Attainment and Progress:

- From their individual starting points, all groups of children will make at least good progress within the year.
- Where children's starting points are low, assessments will show that they are catching up quickly.
- 60%+ of children will achieve a good level of development at the end of their Reception year.

Curriculum:

- The curriculum will be broad, balanced and appropriately targeted to promote good progress in all areas of learning.
- The outdoor area will promote learning across the full range of curriculum areas.

Key Priority 5 – Assessment

To develop and implement assessment without levels so that children's knowledge, skills and understanding against Age Related Expectations is accurately assessed and used to secure good progress.

Key foci:

- Implement termly Age Related Expectations in reading, writing and maths.
- Use termly Age Related Expectations to ensure provision is appropriately pitched and sufficiently challenging for all groups of children.
- Make effective use of formative and summative assessment to monitor progress and accurately match work to pupils needs, enabling them to learn well in lessons and over time.
- Develop a range of effective strategies to make regular and precise assessments of children's knowledge, skills and understanding against Age Related Expectations.

Planned outcomes:

- End of term Age Related Expectations will be in place for reading, writing and maths.
- Children's progress against termly Age Related Expectations will be accurately measured and tracked.
- Children will make good progress as a result of teaching and learning which is appropriately pitched and differentiated against termly Age Related Expectations.

Key Priority 6 – Curriculum

To develop curriculum provision so that all children receive a curriculum which promotes enjoyment and achievement across the full range of National Curriculum subjects.

Key foci:

- Develop the quality of teaching, learning and provision in art.

Planned outcomes:

- Planning, teaching and children's work will demonstrate measurable progress in the development of drawing, observation and composition skills.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Key Priority 7 – Inclusion and Intervention

To develop the quality of provision for targeted groups so that all children make at least good progress.

Key foci:

- Introduce three targeted intervention programs to accelerate children's progress towards their individual targets.

Planned outcomes:

- 100% of children will make expected progress and 40% will exceed expected progress within each intervention program.

Kingsbury School

Key priorities as set out in the school improvement plan 2015 - 16 are:

Priority 1: Achievement

Key Stage 4 value added is average or above in all subject areas. The proportion of students making expected progress in English and Mathematics is in line with or above national figures.

Key performance indicators:

- 70% of students to make expected progress in English and an increase on last year
- Expected progress in Mathematics to be above national figures
- A higher proportion of students to make more than expected progress in English and Mathematics
- 60% of students to attain 5+ A*-C GCSE's including English and Mathematics
- 60% of students to attain A*-C in English and Mathematics
- Progress 8 to be above the national average and positive (+0.16 based on 2015 estimates)
- Value added Best 8 increases year on year

Key actions:

- Introduction of a new curriculum model at Key Stage 4 to provide more time for students to nurture skills and understanding
- Data to be tracked at every level (student, subject, faculty and whole school) using Go4Schools and staff progress meetings

Priority 2: Achievement of disadvantaged students

Overall Key Stage 4 value added is at least average or above for disadvantaged students and those who have special educational needs. The proportion of disadvantaged Key Stage 4 students making and exceeding expected progress in English and in Mathematics is getting closer to that of other students nationally and the gap between these groups of students is decreasing.

Key performance indicators:

- 65% of disadvantaged students achieve expected progress in English and 55% in Mathematics
- 30% of disadvantaged students to achieve above expected progress in English and 20% in Mathematics.
- The in-school gap for expected and above expected progress in English and Mathematics decreases compared to last year

Key actions:

- Develop Go4Schools to allow effective tracking of intervention and assessment of impact
- Appoint a Pupil Premium Driver to monitor and track PP students, including progress, attendance and

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

- punctuality
- Creation of a 'War Room' in the staff area to monitor the progress of all students including groups of students (disadvantaged students)
- Teachers to identify disadvantaged students in their classrooms and become more proactive in monitoring progress and providing intervention with particular emphasis on 'catch-up' opportunities due to absence
- Appoint an attendance officer to monitor the attendance of disadvantaged students and to liaise with external agencies on strategies to further improve attendance and persistent absence

Priority 3: Literacy

Students in Key Stage 3 are reading regularly and the school has a consistent approach to developing the reading of students across the school.

Key performance indicators:

- All students in Year 7 undertake weekly reading sessions
- All students in Year 7 use accelerated reader and show increasing literacy levels through reading ages and numbers of words read
- The number of books on loan increases significantly compared to previous years

Key actions:

- Accelerated reader to be introduced to Year 7 and Year 8
- Key staff and tutors to be trained on the effective use of accelerated reader to increase reading age and reading exposure
- Appoint a Director of Learning for English and Literacy and a subsequent 'Literacy development programme' to be introduced across the school
- Introduce 'library and literacy' lessons into the Key Stage 3 curriculum
- Introduce reading time into the school day for students in Key Stage 3

Priority 4: Learning and teaching

The quality of learning and teaching is improving and is moving towards consistently 'good' across the school. Quality assurance processes are effective in monitoring the quality of learning and teaching and Middle Leaders are proactive in doing this.

Key performance indicators:

- 80% of teachers are able to consistently deliver lessons which are graded as good
- 20% of teachers are able to deliver lessons which are graded as outstanding
- Students are challenged in lessons and as a result progress is deemed as at least good in the majority of lessons
- All newly qualified staff to attend 'Improving Teacher Programme'

Key actions:

- CPD and learning and teaching development to focus on challenge, AfL, independent learning and collaboration. This will include a programme of CPD training and faculty led learning and teaching sessions
- Deliver the 'Improving Teacher Programme' to all newly qualified staff
- Introduce a whole school approach to 'stretch and challenge'; every lesson to incorporate 'stretch and challenge' activities providing opportunities for students to aspire and think harder
- Deliver a learning and teaching training day to all teaching staff based on challenge and independent learning
- Review the feedback policy and introduce the STAR (Strength, Targets, Action, Response) strategy for providing effective and easily identifiable feedback in students' books
- Introduce a rigorous and robust Quality Assurance process to hold staff to account with regards to marking and the quality of learning and teaching

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Priority 5: Behaviour for Learning and Raising Aspirations

Students demonstrate improved behaviour for learning and aspirations. An ethos of celebration, praise and rewards is instilled throughout the school. Enrichment activities take place and the number of students attending optional activities increases year on year.

Key performance indicators:

- The number of students receiving awards and rewards increases significantly compared to last year
- The number of students attending afterschool enrichment activities increases with at least 10% of students attending regularly
- Consistent approach to the distribution of rewards and sanctions across the school
- Introduction of a new learning support centre to respond immediately to behaviour, uniform and attendance issues (overcoming barriers to learning)

Key actions:

- New behaviour for learning strategy adopted and introduced to all staff and students
- New rewards and awards system introduced to all staff and students including fortnightly subject awards, Headteacher's breakfast, awards assemblies and rewards days.
- House system introduced with regular House assemblies to celebrate achievement
- Achievement board introduced to the school foyer to display and raise the profile of achievements
- Learning support managers appointed and utilised to monitor and administer behaviour, attendance and welfare/safeguarding

Public Benefit

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

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In the period under review, £4,782,266 was carried forward representing 40.6% of the GAG.

GAG received by Castle Phoenix Trust for the year 2015/16 was £11,786,280. The carry forward was; £2,678,775. Total funds (including restricted fixed assets) carried forward were £8,371,308.

Going Concern

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

Achievements and Performance

The Castle Phoenix Multi Academy Trust is now in its fourth year and in April 2016, Kingsbury secondary school (Warwickshire) was the third school to join the Trust. Caludon Castle was inspected in January 2016 and judged as good. The academy is a teaching school and the lead school within the Castle Phoenix Teaching Alliance. The headteacher is a National Leader of Education and facilitates school-to-school support across the alliance. The three Academies are embarking on mutual staff development, with the aim of driving up standards.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Caludon Castle School Performance 2016

The school received a **good** inspection outcome in January 2016.

"The headteacher, leaders and governors have successfully created a culture where every pupil is valued, supported and encouraged to achieve the best that they can. The quality of care and guidance is excellent".
Ofsted 2016

The school is the most oversubscribed within the city and the sixth form has over 300 students currently studying from a range of 30 A level and vocational courses.

Summer Exam results 2016

Post 16 Exam results

We are delighted with the excellent results of the Sixth Form this year, the best results to date. In true GB Olympic spirit, students showed real resilience and determination. 100% of leavers gained A*-E in A Levels and Level 3 BTEC courses. A record 54.3% achieved A*-B grades, demonstrating true aspiration. These results reflect the fact that the care and guidance they are offered is excellent, as recognised by both our students and Ofsted. The latter also mentioned that students are well prepared for the next stage in their lives and the school is very proud of all the students as they progress to a wide range of courses at university or apprenticeship.

End of Key Stage 4 results 2016

We are very pleased with the school's results this year. The vast majority of students take GCSE English, Maths, Double or Triple Science, plus 4 options which include Art, Business, Drama, French, Spanish, History, Geography, Health and Social Care, Creative Media, Media Studies, Photography, Music, Philosophy, Citizenship, Computer Science, Sociology, PE, Hospitality and Catering, and Product Design and they have achieved well in these subjects.

Students are strongly encouraged to study History or Geography and a Language to enable them to achieve the EBACC qualification.

Students achieved an overall average grade of grade C+. The percentage of students awarded at least 3 A*/A grades increased this year to 31% which is above the national average (2015). 20% of students achieved A*/A in English and 21% achieved A*/A in Maths. 66% of our students achieved both GCSE English and Maths, which is above the national average (2015). The progress 8 score is positive which demonstrates that students make at least expected progress when compared to all schools nationally.

Headlines measures	National (2015)	2016
Average Attainment 8	48.1 (C-)	53.3 (C+)
Progress 8	0.0	0.05
Capped APS	308.6	342.2
Ebacc	24	17

Basics

A*- C English	67	77
A*-C Maths	67	72
Basics [English + Maths]	58	66

3 Year Trend

	2014	2015	2016
A*-C including English and Maths	57	62	66
English A*-C	72	82	77
Maths A*-C	68	65	72

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

LEARNING AND TEACHING AT CALUDON CASTLE

Vision for 2015-16

Our vision is that we will all feel empowered to plan for, deliver and identify outstanding Learning and Teaching experiences. By doing this, we will raise the achievement and self-esteem of our learners.
Our mantra for the year was:

challenge + engagement = success

This was achieved in a supportive, co-operative environment in a number of ways: both judgmental and developmental lesson observations and learning walks, with strengths and 'even better ifs' identified, both for individual staff and across faculties; work scrutinies; the sharing and modelling of good practice; coaching for learning (learning partnerships).

Our second Learning and Teaching Conference last October was so successful that we are holding another one this October in partnership with Kingsbury School.

Our aim this year continues our drive towards consistently 'outstanding' Learning and Teaching. All teachers are able to deliver a lesson which can be graded as at least 'good', with a growing number graded as 'outstanding', when measured against Ofsted criteria.

Our priorities this year were to embed and capitalise on our vision, successes and innovations, whilst securing outstanding teaching for all. We achieved this in the following ways:

Learning and Teaching Structure

We had a new learning and teaching team for September 2015: Principal and Assistant Leaders of Learning. The team comprises the core faculty leaders supported by anyone with a responsibility for the learning and teaching agenda. They work alongside the Deputy Headteacher, responsible for learning and teaching, to shape policy, but also to ensure that the faculties for which they assume responsibility are able to produce consistently outstanding experiences for our learners. They are excellent role models, having been either accredited as Lead Learning Practitioners. They are able to coach and/or mentor staff to improve their professional practice, and some of them are responsible for doing this across the school. They also support some of the key Teaching School initiatives. They continue to be instrumental in leading staff CPD, each taking responsibility for an element of the learning and teaching foci for the year. They are ambassadors for one aspect each of the five elements of DR ICE, including:

- leading on that aspect for any staff training
- developing resources and case studies for the website
- leading drop-in surgeries
- training students as student leaders of learning, so that they become empowered to make a real contribution to the development of our learning journey.

We see DRICE as an ongoing and vital key to successful planning for outstanding teaching. However, we are also committed to adopting the Dylan William's model of **Assessment for Learning**, which informs our learning journey at all times. Therefore, the **learning and teaching foci** for this year were as follows:

- advanced questioning
- verbal and written feedback and marking for improvement
- reflection on the learning
- collaborative learning
- differentiation
- literacy
- learning attributes

The focus on learning attributes is new for this year, and we capitalised on our Building Learning Power agenda, where we encouraged students to focus on the 'how' as well as the content of their learning.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

We continue to foster students' curiosity, as this feeds in very well into the school's engagement agenda.

The **Wheel of Excellence** identifies each of our learning foci and was used by teachers as a self-reflective tool to improve their practice.

In addition to Principle and Assistant Leaders of Learning, our structure included our **Learning and Teaching Focus Group**. They led their faculties on effective planning, so that every member of staff is aware of how to plan for an outstanding lesson, ensuring that each part of the lesson focuses on the learning. The focus group's role was purely developmental: to inform the success of the school improvement strategies and to ensure that the key focus is being implemented in their faculty's lessons/students' work/conversations with students.

We continue to invest in accrediting key teachers as **Lead Learning Practitioners**. Seven were accredited this year. These members of staff are key in enhancing our learning journey.

We have been running the **Outstanding Teacher Programme (OTP)** and the **Improving Teacher Programme (ITP)** for two years now and have offered a bespoke enhanced programme this year. These are nationally accredited programmes, which consolidate good and outstanding teaching. Some of our staff members have been trained to facilitate these programmes. We offer the programmes in-house and city-wide. The OTP continues to form the basis for our planning agenda this year, as it embeds and consolidates what outstanding teaching looks like. It gives a framework for planning and delivery around five key areas, phrased as DR ICE:

- D** = Deepening thinking
- R** = Role modelling learning
- I** = Impact on progress
- C** = Challenging expectations
- E** = Engagement in learning

The revised marking policy has been instrumental in improving feedback to students: **STAR marking**. At each progress checkpoint, teachers should use RAGG, indicating the student's progress against their own personal target. There should also be a formative comment and a question. The marking is described as STAR marking:

- Strengths:** teacher to recognise good learning
- Target:** formative assessment: advice on how to improve
- Teacher to provide a follow-up challenge activity or question**
- Action by the student to address the teacher's comments**
- Respond:** teacher to acknowledge the student action

Action Research was a major focus for 2015-16. Most teachers embarked on a Personal Enquiry Project and these were published internally.

The school environment continues to focus on learning. Display boards in public areas demonstrate outstanding work; in classrooms, there are displays to facilitate learning progression, such as key word walls, challenge and 'getting yourself unstuck' corners. The TIF (take it further) agenda flourishes in classrooms, with TIF zones and TIF activities to deepen students' learning in every lesson. There will be a focus on stretching our high attaining students even further this year.

Classrooms have been designed, also, to facilitate effective collaborative learning. Faculties are assuming their own identities in order to encourage and promote engagement and curiosity. Learning posters are displayed in our public areas. Staff are cultivating the learning 'buzz', but our young people need to become part of this process also, identifying, celebrating and shaping outstanding learning.

Students' literacy and oracy development continue to be key focus areas for this year, where students will be challenged to improve their communication in both written and verbal forms.

All learning and teaching strategies and good practice are shared on the school's Learning and Teaching Website. We will be extending this into a Twitter feed for this academic year. This is just another vital tool to help staff to improve their pedagogy and practice.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Developing the Whole Child at Caludon Castle

Caludon Castle students have taken every opportunity offered to them to broaden their horizons, through trips abroad and in the UK, university and gallery visits, taking part in drama workshops, listening to up and coming bands and musicians, and stretching their minds with STEM challenges. It is incumbent on the school to continue to offer them these opportunities so that they can develop as confident and thoughtful citizens.

The SMSC Governors update July 2016 and the termly Caludon Update magazines give a fuller picture of how Caludon Castle School is developing the whole child, but some of the key points for 2015-16 are given below:

Autumn	Spring	Summer
<p>Audit carried out in subjects, about the explicit inclusion of British Values in the curriculum. Positive responses from all areas including these examples, drawn at random:</p> <p>Mutual respect, and the tolerance of other faiths and beliefs: GCSE Hospitality considers religious belief when designing menus for the public and considers the suitability of the menus for people of different faiths.</p> <p>Fostering resilience to extremist views: In post 16 Key Skills we spend time each lesson discussing topical issues such as the war on terror. We look at a range of opinions of these issues and also go into greater detail on issues such as sexual violence, FGM, and British Law.</p> <p>All of these give pupils a forum to discuss ideas outside of a subject curriculum. It allows them to hear the views of others and develop their own ideas through discussion and research.</p> <p>New IT desktop screens developed to commemorate key events in British history that helped to establish the current state of law and order.</p>	<p>Ofsted characterised SMSC as a golden thread running through the life of the school.</p> <p>Assembly themes this term have included:</p> <p>Peer pressure and joint enterprise Martin Luther King Day Holocaust Memorial Day World Religion Day Are the Oscars racist? World Book Day International Women's Day The history of Pancake Day Fairtrade Fortnight Harry Potter Day – face your fears Tim Peake – reach for your dreams Sport Relief Regrets</p> <p>Visiting speaker for year 9 pupils, from Fida, presenting information about extremism, radicalisation, and staying safe.</p> <p>Options evenings have been held for years 8 and 9, along with careers information events for all years, giving pupils and parents an insight into potential future pathways.</p>	<p>Students showcased their cultural learning in a number of ways:</p> <p>The Sensed Exhibition in July, with a Private View for parents and friends. This featured work created in Art, Catering, Hospitality, Media Studies, Moving Image, Photography and Product Design, and took over most of the ground floor of the school. Students from years 9 to 12 gave public performances of drama pieces they had devised or staged. These were well attended by parents and friends.</p> <p>Dance Club performed an end of year Dance Show.</p> <p>Creative Writing Club had their work showcased in the Caludon Update.</p> <p>The Caludon Experience Activity days allowed all students from years 7 to 10 to experience cultural and adventure activities, and to find out more about the world of work or higher and further education.</p> <p>Highlights included 200 students attending a matinee performance of Matilda in London, and over 100 year 7 students camping overnight at Cholmondeley Castle and learning bushcraft skills.</p> <p>The Anti-bullying evening for parents allowed us to share some of the work we do to encourage mutual respect. This will be repeated in September.</p>

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Hill Farm Primary School

Early Years Foundation Stage

In the EYFS, the proportion of children achieving a Good Level of Development rose for the fourth consecutive year. Throughout the year, there was a focus on developing intervention programs for children to accelerate progress and close the attainment gap. There was also a particular focus on developing provision in writing. This drive led to an increase in the percentage of children achieving in line with Age Related Expectation in this area. As a result, there was an overall rise in the proportion of children achieving a Good Level of Development at the end of the Early Years Foundation Stage, helping to close the gap with the national average.

GLD	2013	2014	2015	2016
	44.4%	45.8%	54.2%	61.3%

Year 1 Phonics Screening Check

In 2016, the percentage of children passing the Year 1 phonics screening check dropped to 68%. This was due to a number of factors – the phonic attainment of this cohort was low when they entered Year 1; the cohort consisted of a high proportion of children with English as an Additional Language (42.9%), many of whom were at an early stage of language acquisition; 18% of the cohort joined the school late into the year and a high proportion of these were newly arrived to the country. The quality of teaching and learning in phonics across the EYFS and KS1 was externally validated on three occasions during 2015-16 and was judged to be good. Progress in phonics across the year was also good.

Key Stage One

The school introduced the new National Curriculum in 2015/16. This presented a challenge for children and staff in Year 2. There was considerable work to be done to fill gaps which hadn't been taught from the new Year 1 curriculum as well as meeting the raised expectations of the new Year 2 curriculum.

Despite children making clear progress during the year, attainment at the end of 2016 was below national.

	Expected Standard		Greater Depth Standard	
	School	National	School	National
Combined R, W, M	51%		0%	
Reading	63%	74%	13%	
Writing	55%	66%	0%	
Mathematics	63%	73%	15%	

Key Stage Two

The newly introduced National Curriculum presented a significant challenge for children and staff in Year 6. In terms of curriculum coverage, staff had two terms to teach the aspects of the new Year 3, Year 4 and Year 5 curriculum which the children had not previously been taught along with all of the Year 6 objectives. Coupled with this was the challenge of the raised expectations in Year 6 which were comparable in difficulty to the previous Level 5 standard. Typically, between 25% and 40% of children at Hill Farm achieve at this level.

Although attainment and progress were below national, in-year progress for this cohort was strong.

	Expected Standard		Greater Depth Standard		Progress	
	School	National	School	National	School	National
Combined R, W, M	37%	53%	0%	5%		
Reading	46%	66%	11%	19%	-0.85	0
Writing	69%	73%	0%	14%	-0.22	0
Mathematics	52%	70%	5%	17%	-0.99	0

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Response to Ofsted Key Priorities

Leadership Development

A key focus of the school's work in 2015/16 was on developing distributed leadership. Each member of the Senior Leadership Team took responsibility for an aspect of the School Development Plan and were accountable for school improvement and impact on pupil outcomes within this area. All members of the Local Governing Body were linked to one of the areas and met with the appropriate leader each term to hold them to account for school improvement.

As a result, senior leaders and governors developed a deeper understanding of the school's effectiveness within their areas of responsibility. They developed their ability to plan strategically and contribute to strategic discussions about the school's performance.

Teaching and Learning

Throughout 2015/16, there was a focus on improving the quality of teaching and learning, with the aim of ensuring that all children received teaching that was at least good. A range of strategies were deployed to develop classroom practice including coaching, peer observations, weekly staff training and teaching triads. Developing the quality of questioning was a key thread through all CPD activities.

Regular quality assurance was undertaken by the headteacher and other senior leaders. Focused feedback identifying aspects of teaching which had the most impact on learning along with those which could be developed/refined provided a framework to support and challenge all staff to improve their practice.

As a result of the ongoing teaching and learning CPD programme, 63% of teaching was consistently good or better by July 2016, with 27% consistently outstanding. Whilst the proportion of good teaching was well below our expectations, the proportion of outstanding teaching was the highest it has been during the last four years. A key challenge to securing and maintaining a higher proportion of good or better teaching in 2015/16 was staffing capacity and stability.

Writing Development

During 2015/16, the school built on the work which had been previously undertaken to improve the quality of children's writing. This drive was led by one of our Assistant Headteachers who is a Local Authority Moderator and Specialist Leader in Education. The outcomes of this work were seen at the end of Key Stage Two, where attainment in writing was close to the national average and significantly higher than in any other curriculum area. The quality of writing in Year 6 was praised by external moderators.

Wider Curriculum/Enrichment

Hill Farm has continued to offer a wide range of enrichment opportunities for the children. Each half-term, the children study a new theme which encompasses History, Geography and Design Technology. To enhance learning in each theme, the children take part in an enrichment experience which is heavily subsidised by the school to make it affordable for all families.

To enable us to raise the profile of art and to improve teaching and learning in this area, art was taught as a separate subject in the Spring and Summer Terms. The children's work was celebrated in an art exhibition at the end of the year which attracted over 300 visitors.

In December 2015, Key Stage Two held its first ever pantomime. Over 150 children auditioned for parts and the performance provided an opportunity for children with a talent or interest in the performing arts to shine. The pantomime received extremely positive feedback and we hope to repeat this event in 2016/17.

Through the partnership with Caludon Castle, Hill Farm is in the unique position of being able to offer KS2 children access to high quality specialist teaching in a number of curriculum areas. During 2015/16, Year 3 visited Caludon Castle each week to make use of their excellent swimming and music facilities. Children in Year 5 and Year 6 received specialist teaching in music and PE. For many of the children, this specialist teaching gave them the opportunity to excel in a way which wouldn't have been possible with more generalised teaching.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Premises Development

During the Spring and Summer Terms 2016, the school underwent extensive building works to install new heating infrastructure, flat roofing and internal windows. The project cost £1.1 million and was funded through the Condition Improvement Fund. It has made a significant difference to the quality of the learning environment throughout the school. Following the installation of the heating and the windows, a whole school re-decoration plan will be implemented over the next 18 months to ensure that all classrooms and corridors are brought up to a consistently high standard.

Plans for Future Periods

The 2016/17 School Improvement Plan is structured around the five sections of the Ofsted Inspection Framework. It builds on the school's strengths and recent successes and underpins our collective drive for continual improvement.

In response to the 2016 end of Key Stage outcomes being below the national average, all sections of the School Improvement Plan are focused on accelerating progress and raising attainment across the school.

The 5 key strands within the School Improvement Plan are:

Accelerating progress and raising attainment

- Quality first teaching
- Differentiation to close the gap
- Intervention

Teaching and Learning

- Stretch and challenge
- Planning for learning
- Assessment for learning

Strengthening the curriculum, including basic skills

- Reading
- Writing
- Mathematics
- Music, Drama, Art, SMSC, British Values

Improving outcomes for the most vulnerable

- SEN
- EAL
- Pupil Premium

Securing engagement in learning

- Attendance and punctuality
- Learning behaviours

Kingsbury School

Due to increasing popularity, Kingsbury has exceeded the Pupil Admission Number (PAN) for the previous three years. For the academic year 2015-2016, 150 students were accepted into Year 7 (PAN 126) and there is a waiting list of approximately 40 students. This year was the first year that the school underwent the appeals process. The school is oversubscribed in three year groups and sealed for two. The total number of student is 677 (47 students over the PAN). It is anticipated that similar numbers will apply for a place for September 2017.

Kingsbury continues to exceed National Floor Standards. The following measures were achieved:

- Average Progress 8 Score of +0.1002 (based on 2016 estimates and post-remark)
- Average Attainment 8 Score of 50.94 (Grade C)
- Average Progress 8 Score (disadvantaged students) of -0.2166
- Average capped point score (best 8 subjects) of 326
- Value Added Best 8 (plus English and Mathematics) of 1011.0

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- Percentage of students achieving 5+ A*-G is higher than national average at 96.7%
- 63.9% of students achieved two grade A*-C in Science
- Attainment was strong compared to national averages in Astronomy, Religious Studies, French, Statistics, Textiles, Resistant Materials, Health and Social Studies and Additional Science.
- Above expected progress has increased in English and Mathematics.
- The progress of SEND students is strong (progress 8 score of +0.4)

Other achievements include:

- Increased enrichment provision with 12% of the student population now attending additional afterschool activities.
- Improved catering provision which has resulted in a higher number of students eating more healthily in school
- Careers provision is now embedded in school through the appointment of a Careers Driver and interaction with external agencies who provide careers advice on a weekly basis
- Introduction of a new pastoral system that includes a 'Learning Support Centre' and non-teaching staff who oversee behaviour, attendance and student welfare
- Introduction of the accelerated reader scheme with all students in Year 7 and Year 8 participating every week.

Plans for future periods

Outcomes

- Improve the progress of disadvantaged students. Disadvantaged students to make similar progress to other students within the school
- Improve the progress of the most able and ensure that more students achieve the higher 7-9 grades in English and Mathematics
- Improve progress in Mathematics so that it is in line with national averages
- Improve the progress in English and Mathematics and achieve positive progress 8 measures in these elements
- Improve performance (attainment and progress) in the Expressive Arts subjects of Music, Physical Education, Art and Dance

Attendance

- Improve attendance so that it increases compared to 2015-2016 and reaches a target of 96%
- Reduce the percentage of students with persistent absence compared to last year
- Improve the attendance of disadvantaged students so that it is in line with whole school attendance targets

Learning and teaching

- Improve the quality of learning and teaching so that it is consistently good across the school
- Ensure that all students make at least good progress through the delivery of lessons that provide challenge
- Further develop strategies to improve the quality of feedback in lessons so that students can be more independent and enhance their progress

School culture and ethos

- Embed and instil our school values of respect, determination, equality, personal excellence and inspiration through the use of tutor time, assemblies, careers provision and daily interactions
- Introduce platforms to develop the personal, social and emotional achievement of our students through the use of a new 'Character Matters' tutor programme. This should include the promotion of the British Values agenda
- Further develop and improve healthy lifestyles education and the provision of healthy eating options and expectations in our school catering
- Develop student leadership and provide opportunities for all students to develop their leadership skills.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

FINANCIAL REVIEW

Financial Review

Most of Castle Phoenix 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 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Castle Phoenix 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 Castle Phoenix Trust upon conversion. Land and buildings were professionally valued by Mouchel on 31 March 2014 at £1,969,000.

The land, buildings and other assets of Kingsbury School were transferred to Castle Phoenix Trust on 1 April 2016. Land and buildings valuation supplied by the Erudition Trust on conversion was £5,312,775.

Castle Phoenix 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

Reserves Policy

The Board of Directors review the reserve levels of the Castle Phoenix Trust annually.

This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academies, the uncertainty over future income streams. The Governors have determined that the appropriate level of reserves should be one month's salary for each individual academy; £866,587.

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

The cash reserves held as at 31 August 2016 are deemed reasonable by the Trustees for the following reasons:

The Trust has carried out a four year budget plan and recognises that reserves will be need to be used to maintain the current staffing levels, thereby maintaining the effective delivery of education. The increase in pension contributions and apprenticeship levy will also impact.

A contingency is in place to minimise impact from the fair funding arrangements.

The Trust has expectations that PFI costs are going to rise annually; a contingency is held in relation to this.

An amount has been received through the Condition Improvement Funding (CIF), to replace the roof at Kingsbury, the funds remained in the account as the project will not start until post year end.

The CIF was overpaid by a considerable amount which is waiting to be waiting to be reclaimed by the EFA.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Further bids will be submitted for the next round of CIF however, should they be unsuccessful these major works will require funding from the reserves.

The spending for the above equates to an estimated £3.5m.

Investment Policy

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

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which Castle Phoenix 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 Castle Phoenix Trust are as follows:

Financial – Castle Phoenix Trust has considerable reliance on continued Government funding through the EFA. In the last year Castle Phoenix 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.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage Castle Phoenix 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 Castle Phoenix 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 Castle Phoenix 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 – Castle Phoenix Trust has good delegation of duties and an internal audit procedure 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 start to be reviewed by the Audit and Risk Committee at their first meeting in September 2016. This includes the financial risks to Castle Phoenix Trust. The register will be reviewed in light of any new information and formally reviewed annually.

The Trustees/Governors have assessed the major risks to which Castle Phoenix Trust would be exposed to; in particular those relating to its finances, teaching, facilities and PFI risks.

Whilst Caludon Castle is over-subscribed, Hill Farm and Kingsbury are 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.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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, Castle Phoenix 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 Castle Phoenix 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

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

Castle Phoenix 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.

Following the notification of a successful Condition Improvement Fund bids, Kingsbury School will benefit in the year 2016/17 from a new roof.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Castle Phoenix Trust and its Trustees/Governors do not act as the Custodian Trustees of any other Charity.

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:

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

	Caludon Castle School	Hill Farm Primary	Kingsbury School
Monday	Whole Staff Briefing SLT	Strategic Leadership Group - fortnightly	SLT Briefing Whole Staff Briefing SLT Strategic Meeting
Tuesday	LT Meeting - fortnightly	Leadership Team Teaching Assistant Team - fortnightly	Faculty briefings Staff Meetings (either Faculty, Year Team or Head of Faculty on rotation)
Wednesday	Year Teams - fortnightly	Whole Staff Briefing/Whole Staff CPD	
Thursday	Leaders of Learning, half-termly Strategic Management Group half-termly	Year Teams Administration Team	Year Team Briefings CPD Sessions (half termly)
Friday	Faculty Team Briefings	Lunchtime Supervisor Team	HOF Briefing
Weekly (to suit teams)	Faculty Meetings		

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.

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 Board of Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them 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 7 December 2016 and signed on the board's behalf by:


M Friday
Chair of Board of Directors

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

GOVERNANCE STATEMENT

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 Chief Executive, as Accounting Officer, for ensuring financial controls conform to 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 Statement of Trustees' Responsibilities. Members of all the committees are appointed giving consideration to the skills audit to ensure each committee has the necessary skills to fully contribute to the running and development of Castle Phoenix Trust.

Board of Directors

Trustee	Meetings attended	Out of a possible
M Friday, Chair	6	6
W Taylor-Dowson	4	6
C Saunders	3	3
L Hancock	1	6
P Simpson	6	6
I Boyce	0	1
M Marr	6	6
R Winters	3	6
H Reilly	2	2

I Boyce resigned, due to work commitments, on 29 November 2015 from his position on the Board.

C Saunders resigned, for personal reasons, on 17 April 2016 from her position on the Board.

H Reilly, also Chair of Kingsbury Local Governing Body, was appointed to the Board of Directors at the meeting on 25 May 2016.

Finance and Resources Committee

The purpose of the Finance and Resources Committee is set out on page 4 of the Trustees Report. The Finance and Resources Committee is a sub-committee of the main Board of Directors. The Committee formally met four times during the year 2015/16. Attendance during the year at meetings of the Finance and Resources Committee was as follows:

	Meetings attended	Out of a possible
M Friday, Chair	4	4
I Boyce, Vice Chair	0	2
W Taylor-Dowson	2	4
B Sedgebear	4	4
R Winters	3	4
K Healey	0	0

I Boyce resigned, due to work commitments, on 29 November 2015 from his position of Vice-Chair of the Finance and Resources Committee.

Following the skills audit at Kingsbury School, K Healey was appointed to the Finance and Resources Committee.

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

GOVERNANCE STATEMENT (continued)

HR & Governance Committee

The purpose of the **HR & Governance Committee** is set out on page 4 of the Trustees Report. The HR & Governance Committee is also a sub-committee of the main Board of Directors.

The Committee formally met during the year 2015/16. Attendance during the year at meetings of the HR & Governance Committee was as follows:

	Meetings attended	Out of a possible
L Hancock (Chair)	3	3
P Simpson (Vice Chair)	2	3
C Saunders	2	2
R Liddle	3	3
E Over	3	3
L Bush	0	1

Following the skills audit at Kingsbury School, L Bush was appointed to the HR & Governance Committee.

Local Governing Body Committee

All academies in Castle Phoenix Trust, Caludon Castle School, Hill Farm Primary and Kingsbury School, operate a Local Governing Body Committee as sub-committees of the main Board of Directors.

The purpose of the Local Governing Body Committee is set out on page 5 of the Trustees Report.

Caludon Castle Local Governing Body formally met five times during the year 2015/16. Attendance during the year at meetings of the Local Governing Body Committee was as follows:

	Meetings attended	Out of a possible
C Saunders (Chair to 17.04.16)	4	4
A East (Vice-Chair to 12.01.16)	1	3
P Simpson		
(Vice-Chair from 12.04.16)	5	5
(Chair from 05.07.16)		
W Taylor-Dowson	0	5
B Sedgebear	4	5
E Over	5	5
A Davoile	3	5
D Borgeat	3	5
A Dhilon	4	5
K Docking (Associate)	3	5
A Courts	3	4
T Evans	2	4
L Campton	2	3
S Dunn	1	3
K Ireland	1	1

A Courts was appointed as a Parent Governor and T Evans, a Community Governor, on 7 October 2015.

L Campton and S Dunn were appointed as Parent Governors, on 8 December 2015.

A East resigned on 12 January 2016 due to work commitments.

D Borgeat resigned on 12 April 2016 due to other commitments.

C Saunders resigned, for personal reasons, on 17 April 2016 from her position as Chair of Caludon Castle Local Governing Body.

K Ireland was appointed as a Community Governor on 15 June 2016.

P Simpson was voted Vice-Chair from 12 April 2016 and subsequently voted Chair, at the meeting held on 5 July 2016.

B Sedgebear was voted vice-chair at the meeting held on July 5 2016.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (continued)

Hill Farm Local Governing Body formally met five times during the year 2015/16. Attendance during the year at meetings of the Local Governing Body Committee was as follows:

	Meetings attended	Out of a possible
R Winters (Chair)	5	5
R Liddle (Vice Chair)	5	5
C Turner (Res 01.12.15)	0	2
J Guraya (res 14.03.16)	3	4
I Gittins (res 14.03.16)	2	4
K Cleall	2	5
C Harrison	4	5
A Crawford (app. 08.12.15)	2	2

R Winters term of office ended on 17 July 2016 however, she will continue in the role for a further two years.

C Turner resigned for unknown reasons 1 December 2015.

A Crawford was appointed on 8 December 2015

J Guraya and I Gittins resigned due to outside commitments, on 14 March 2016

Kingsbury Local Governing Body formally met three times during the period 1 April 2016 to 31 August 2016. Attendance during the year at meetings of the Local Governing Body Committee was as follows:

	Meetings attended	Out of a possible
H Reilly (Chair)	2	3
B Wakelin	2	2
S Burley	2	3
D Hart	1	3
P Sadler	3	3
M Dugdale	1	2
L Bush	3	3
M Hewish	2	3
K Healey	2	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Chief Executive has responsibility for ensuring that Castle Phoenix Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the education and wider societal outcomes achieved in return for the tax payers resources received.

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

- Expansion of the Trust with Kingsbury School and bringing with it the possibilities of improving purchasing power across the Trust.
- Deploying staff effectively across the Trust to share good practice and expertise which will also enable additional in house training. This will save costs as well as provide employees with development opportunities.
- Reviewing controls and managing risks by forming the Audit and Risk Committee to review and challenge the risk register.
- Securing grant bids to renew the roof at Kingsbury School.
- Challenging proposals across the Trust and examining their effectiveness and efficiency.
- Reviewing quality of curriculum provision and quality of teaching.

GOVERNANCE STATEMENT (continued)

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 on-going process designed to identify and prioritise the risks to the achievement of Castle Phoenix 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 period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors has reviewed the key risks to which Castle Phoenix 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 on-going process for identifying, evaluating and managing Castle Phoenix Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

THE RISK AND CONTROL FRAMEWORK

Castle Phoenix 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.

GOVERNANCE STATEMENT (continued)

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:

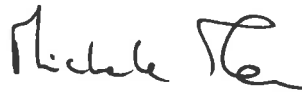
- the work of the external auditors;
- the work of the executive managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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 7 December 2016 and signed on their behalf, by:



**M Friday
Chair of Trustees**



**M Marr
Accounting Officer**

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

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



**M Marr
Accounting Officer**

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

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 Strategic report, the Trustees' 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 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



**M Friday
Chair of Board of Directors**

Date: 7 December 2016

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CASTLE PHOENIX TRUST

We have audited the financial statements of Castle Phoenix Trust for the year ended 31 August 2016 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the 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 Statement of Trustees' responsibilities, 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 2016 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, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the 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 ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CASTLE PHOENIX TRUST

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: 14th December 2016.

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

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

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 2015 to 2016, 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 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 AND THE REPORTING ACCOUNTANT

The 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 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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



Andrew Wood FCCA (Reporting Accountant)

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

Date: 14th December 2016.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

		Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
	Note					
INCOME FROM:						
Donations & capital grants:						
Balances transferred on conversion: Kingsbury School	2	-	(657,000)	5,323,118	4,666,118	-
Other donations and capital grants	2	-	137,433	984,379	1,121,812	563,439
Charitable activities	3	207,763	13,222,245	-	13,430,008	12,042,598
Other trading activities	4	107,794	-	-	107,794	30,331
Investments	5	6,477	-	-	6,477	4,071
TOTAL INCOME		322,034	12,702,678	6,307,497	19,332,209	12,640,439
EXPENDITURE ON:						
Charitable activities		72,498	12,481,847	129,928	12,684,273	11,563,076
TOTAL EXPENDITURE	6	72,498	12,481,847	129,928	12,684,273	11,563,076
NET INCOME BEFORE TRANSFERS		249,536	220,831	6,177,569	6,647,936	1,077,363
Transfers between Funds	18	-	(79,213)	79,213	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		249,536	141,618	6,256,782	6,647,936	1,077,363
Actuarial losses on defined benefit pension schemes	24	-	(1,830,000)	-	(1,830,000)	(161,000)
NET MOVEMENT IN FUNDS		249,536	(1,688,382)	6,256,782	4,817,936	916,363
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,488,184	(507,843)	2,573,031	3,553,372	2,637,009
TOTAL FUNDS CARRIED FORWARD		1,737,720	(2,196,225)	8,829,813	8,371,308	3,553,372

The notes on pages 46 to 68 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		8,408,381		2,187,038
CURRENT ASSETS					
Debtors	15	1,448,467		233,798	
Cash at bank and in hand		5,167,453		4,566,648	
		6,615,920		4,800,446	
CREDITORS: amounts falling due within one year	16	(1,777,993)		(1,195,112)	
NET CURRENT ASSETS			4,837,927		3,605,334
TOTAL ASSETS LESS CURRENT LIABILITIES			13,246,308		5,792,372
Defined benefit pension scheme liability	24		(4,875,000)		(2,239,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			8,371,308		3,553,372
FUNDS OF THE ACADEMY TRUST					
Restricted income funds:					
General funds	18	2,678,775		1,731,157	
Fixed asset funds	18	8,829,813		2,573,031	
Restricted income funds excluding pension liability		11,508,588		4,304,188	
Pension reserve	18	(4,875,000)		(2,239,000)	
Total restricted income funds			6,633,588		2,065,188
Unrestricted income funds	18		1,737,720		1,488,184
TOTAL FUNDS			8,371,308		3,553,372

The financial statements were approved by the Trustees, and authorised for issue, on 7 December 2016 and are signed on their behalf, by:


M Friday
Chair of Board of Directors

The notes on pages 46 to 68 form part of these financial statements.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	20	638,102	1,389,956
Cash flows from investing activities:			
Investment income		6,477	4,071
Purchase of tangible fixed assets		(1,028,153)	(140,023)
Capital grants from DfE/EFA		984,379	459,176
Net cash (used in)/provided by investing activities		(37,297)	323,224
Change in cash and cash equivalents in the year		600,805	1,713,180
Cash and cash equivalents brought forward		4,566,648	2,853,468
Cash and cash equivalents carried forward	21	5,167,453	4,566,648

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Castle Phoenix Trust constitutes a public benefit entity as defined by FRS 102.

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

These financial statements are the first financial statements of Castle Phoenix Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Castle Phoenix Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 31.

1.2 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 Multi Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

1. ACCOUNTING POLICIES (continued)

1.3 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 with restrictions imposed by the funder and include grants from the Department for Education.

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

1.4 INCOME

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

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

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

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

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

1.5 EXPENDITURE

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

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

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

All resources expended are inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,500 are capitalised.

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

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

Long term leasehold property	-	Land: over 125 years Buildings: over 50 years Improvements: over 10 years
Fixtures and fittings	-	over 5 years
Computer equipment	-	over 3 years

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

1.7 LIABILITIES AND PROVISIONS

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

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.

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

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 quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.10 OPERATING LEASES

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

1.11 DEBTORS

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

1.12 CASH AT BANK AND IN HAND

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.13 FINANCIAL INSTRUMENTS

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

1.14 AGENCY ARRANGEMENTS

The Multi Academy Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Multi Academy Trust does not have control over the charitable application of the funds. The Multi Academy Trust can use a percentage of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 30.

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Balances transferred on conversion: Kingsbury School	-	(657,000)	5,323,118	4,666,118	-
Donations	-	137,433	-	137,433	104,263
Capital Grants	-	-	984,379	984,379	459,176
Subtotal	-	137,433	984,379	1,121,812	563,439
	-	(519,567)	6,307,497	5,787,930	563,439

In 2015, of the income from donations and capital grants, £104,263 was to restricted funds and £459,176 was to restricted fixed asset funds.

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	11,786,280	11,786,280	10,501,815
Start up Grants	-	-	-	5,000
Other DfE/EFA grants	-	851,965	851,965	735,804
	-	12,638,245	12,638,245	11,242,619
Other Government grants				
Other government grants non capital	-	180,117	180,117	118,377
	-	180,117	180,117	118,377
Other funding				
Internal catering income	57,667	-	57,667	19,118
Other	150,096	403,883	553,979	662,484
	207,763	403,883	611,646	681,602
	207,763	13,222,245	13,430,008	12,042,598

In 2015, of the total income from charitable activities, £47,918 was unrestricted funds and £11,994,680 was restricted funds.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Consultancy	28,352	-	28,352	25,352
Other	79,442	-	79,442	4,979
	107,794	-	107,794	30,331

In 2015, the total income from other trading activities of £30,331 was unrestricted.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	6,477	-	6,477	4,071

In 2015, the total income from other trading activities of £4,071 was unrestricted.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Education:					
Direct costs	7,675,838	61,648	865,779	8,603,265	7,353,498
Support costs	1,603,892	332,304	2,144,812	4,081,008	4,185,578
	9,279,730	393,952	3,010,591	12,684,273	11,539,076

In 2016, of the total expenditure, £72,498 (2015: £71,671) was to unrestricted funds and £12,611,775 (2015: £11,467,405) was to restricted funds.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. DIRECT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	31,610	39,680
Educational supplies	185,513	220,370
Examination fees	188,419	168,791
Staff development	153,831	59,365
Other costs	204,849	179,882
Supply teachers	158,496	77,758
Technology costs	33,277	9,747
Wages and salaries	6,063,805	5,416,536
National insurance	525,615	409,204
Pension cost	927,922	727,694
Depreciation	129,928	68,471
	8,603,265	7,377,498

8. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	77,390	40,320
Other costs	69,845	35,559
Recruitment and support	21,816	24,015
Maintenance of premises and equipment	145,020	233,642
Rent and rates	99,476	84,085
Energy costs	94,892	89,596
Insurance	24,068	43,410
Security and transport	7,028	25,065
Catering	95,690	162,019
Technology costs	130,900	217,392
Office overheads	79,096	75,655
Legal and professional	204,890	358,655
Service level agreements	236,250	227,433
PFI charge	1,170,920	1,290,715
Governance	19,835	30,645
Wages and salaries	1,238,363	973,482
National insurance	78,823	59,509
Pension cost	286,706	214,381
	4,081,008	4,185,578

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. NET INCOME / (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	129,928	68,471
Auditors' remuneration - audit	15,050	15,050
Auditors' remuneration - other services	4,785	15,595
Operating lease rentals	40,349	31,328
	<hr/> <hr/>	<hr/> <hr/>

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	7,295,269	6,390,018
Social security costs	604,438	468,713
Operating costs of defined benefit pension schemes	1,214,628	942,075
	<u>9,114,335</u>	<u>7,800,806</u>
Supply teacher costs	158,496	77,758
Staff restructuring costs	6,899	-
	<u>9,279,730</u>	<u>7,878,564</u>

Staff restructuring costs comprise:

	2016 £	2015 £
Severance payments	6,899	-

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

	2016 No.	2015 No.
Teaching Staff	136	124
Admin and teaching support	175	142
Strategic leadership	24	28
	<u>335</u>	<u>294</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	2	2
In the band £100,001 - £110,000	1	1

Included in staff restructuring costs are non-statutory severance payments totalling £6,899 (2015: £Nil). Individually, the payments were £3,500 and £3,399.

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £926,167 (2015: £804,086). The increase from the previous year is mainly due to the addition of Kingsbury joining the multi academy trust on 1 April 2016.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

11. CENTRAL SERVICES

The Multi Academy Trust has provided the following central services to its academies during the year:

- School improvement
- Finance
- Premises
- Human resources
- Governance
- ICT

The Multi Academy Trust charges for these services on the following basis:

3.2% of GAG for each financial year.

The actual amounts charged during the year were as follows:

	2016 £	2015 £
Hill Farm Primary School	76,428	-
Kingsbury School	103,333	-
Total	<u>179,761</u>	<u>-</u>

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments for the academy in respect of their role as Trustees. The value of Trustees' remuneration including pension contributions in respect of defined benefit schemes in the year was as follows; Mrs M Marr: Remuneration £100,000 - £105,000 (2015: £95,000 - £100,000), Employer's pension contributions £15,000 - £20,000 (2015: £10,000 - £15,000).

Other related party transactions involving the trustees are set out in note 26.

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year, no Trustees received any reimbursement of expenses (2015: £NIL).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy 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.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

14. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2015	2,253,306	-	20,000	20,255	2,293,561
Additions	895,111	-	79,213	53,829	1,028,153
Transfers	5,312,775	26,285	23,833	8,550	5,371,443
At 31 August 2016	8,461,192	26,285	123,046	82,634	8,693,157
DEPRECIATION					
At 1 September 2015	98,210	-	2,304	6,009	106,523
Charge for the year	100,049	1,095	16,548	12,236	129,928
Transfers	43,314	2,628	2,383	-	48,325
At 31 August 2016	241,573	3,723	21,235	18,245	284,776
NET BOOK VALUE					
At 31 August 2016	8,219,619	22,562	101,811	64,389	8,408,381
At 31 August 2015	2,155,096	-	17,696	14,246	2,187,038

The Multi Academies Trust transactions relating to land and buildings included:

- the acquisition of the freehold on Kingsbury School which was donated to the Multi Academies Trust at a value of £5,312,775.

15. DEBTORS

	2016 £	2015 £
Trade debtors	53,645	30,037
Other debtors	534	240
Prepayments and accrued income	652,322	106,006
VAT recoverable	741,966	97,515
	1,448,467	233,798

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	1,004,500	115,361
Other taxation and social security	204,732	138,096
Other creditors	529,268	220,691
Accruals and deferred income	39,493	720,964
	1,777,993	1,195,112

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

17. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets measured at fair value through income and expenditure	5,070,403	4,566,648
Financial assets measured at amortised cost	1,685,884	233,798
	<u>6,756,287</u>	<u>4,800,446</u>
Financial liabilities measured at amortised cost	<u>(1,894,292)</u>	<u>(1,195,112)</u>

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

Financial assets measured at amortised cost comprise trade debtors, other debtors, accrued income, and VAT recoverable.

Financial liabilities measured at amortised cost comprise trade creditors, other taxation and social security, other creditors, and accruals.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	1,488,184	322,034	(72,498)	-	-	1,737,720
RESTRICTED FUNDS						
General Annual Grant (GAG)	1,731,157	11,786,280	(10,759,449)	(79,213)	-	2,678,775
Pupil Premium (PP)	-	593,281	(593,281)	-	-	-
Other EFA grants	-	199,725	(199,725)	-	-	-
Other Government grants	-	183,144	(183,144)	-	-	-
Free School Meals (FSM)	-	58,959	(58,959)	-	-	-
Other restricted income	-	538,289	(538,289)	-	-	-
Pension reserve	(2,239,000)	(657,000)	(149,000)	-	(1,830,000)	(4,875,000)
	(507,843)	12,702,678	(12,481,847)	(79,213)	(1,830,000)	(2,196,225)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	1,915,093	5,323,118	(80,722)	-	-	7,157,489
Fixed assets purchased from GAG	140,086	-	(44,910)	79,213	-	174,389
Devolved Formula Capital grants	100,490	56,249	(4,296)	-	-	152,443
Condition Improvement Fund (CIF)	417,362	928,130	-	-	-	1,345,492
	2,573,031	6,307,497	(129,928)	79,213	-	8,829,813
Total restricted funds	2,065,188	19,010,175	(12,611,775)	-	(1,830,000)	6,633,588
Total of funds	3,553,372	19,332,209	(12,684,273)	-	(1,830,000)	8,371,308

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.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. STATEMENT OF FUNDS (continued)

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.

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

Free School Meals (FSM) - Income received from the EFA to provide Free School Meals.

Other restricted income - This relates to income received that has to be spent on specific expenses.

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.

Condition Improvement Fund (CIF) - This represents funding from the EFA to cover maintenance and purchase of the schools assets.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Caludon Castle School	3,072,573	2,400,705
Hill Farm Primary School	1,246,856	818,636
Kingsbury School	97,066	-
Total before fixed asset fund and pension reserve	4,416,495	3,219,341
Restricted fixed asset fund	8,829,813	2,573,031
Pension reserve	(4,875,000)	(2,239,000)
Total	8,371,308	3,553,372

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2016 £	Total 2015 £
Caludon Castle School	4,903,519	1,121,388	109,602	2,304,650	8,439,159	8,783,661
Hill Farm Primary School	1,668,440	201,125	60,978	503,736	2,434,279	2,464,553
Kingsbury School	934,383	252,379	14,933	330,212	1,531,907	-
	7,506,342	1,574,892	185,513	3,138,598	12,405,345	11,248,214

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	8,408,381	8,408,381	2,187,038
Current assets	1,745,244	4,086,559	784,117	6,615,920	4,800,446
Creditors due within one year	(7,524)	(1,407,784)	(362,685)	(1,777,993)	(1,195,112)
Pension scheme liability	-	(4,875,000)	-	(4,875,000)	(2,239,000)
	1,737,720	(2,196,225)	8,829,813	8,371,308	3,553,372

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	6,647,936	1,077,363
Adjustment for:		
Depreciation charges	129,928	68,471
Investment income	(6,477)	(4,071)
(Increase)/decrease in debtors	(1,214,669)	513,303
Increase in creditors	582,881	96,066
Capital grants from DfE and other capital income	(984,379)	(459,176)
Defined benefit pension scheme cost less contributions payable	(47,000)	(33,000)
Defined benefit pension scheme finance cost	196,000	131,000
Net assets transferred on joining	(4,666,118)	-
Net cash provided by operating activities	638,102	1,389,956

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	5,167,453	4,566,648
Total	5,167,453	4,566,648

22. ACQUISITION OF KINGSBURY SCHOOL

On 1 April 2016 Kingsbury School joined the multi academy trust and various assets, and liabilities, as detailed below, were transferred to Castle Phoenix Trust from The Erudition Trust for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities as Donations - Balances transferred on conversion

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 £	Total funds £
Tangible fixed assets				
Freehold land and buildings	-	-	5,269,461	5,269,461
- Other tangible fixed assets	-	-	53,657	53,657
LGPS pension surplus/(deficit)	-	(657,000)	-	(657,000)
Net assets/(liabilities)	-	(657,000)	5,323,118	4,666,118

23. CAPITAL COMMITMENTS

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

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	431,122

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

24. 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 Multi-employer defined benefit pension schemes.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £830,165 (2015: £648,985).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

24. PENSION COMMITMENTS (continued)

accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

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 2016 was £559,000 (2015: £340,000) of which employer's contributions totalled £442,000 (2015: £260,000) and employees' contributions totalled £117,000 (2015: £80,000). The agreed contribution rates for future years are 21.3% for employers and 5.5 - 9.9% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.
 West Midlands Pension Fund (Caludon Castle High School and Hill Farm School)

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	3.75 %	4.15 %
Rate of increase for pensions in payment / inflation	2.00 %	2.40 %

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

	2016	2015
Retiring today		
Males	23.1 years	23.0 years
Females	25.8 years	25.2 years
Retiring in 20 years		
Males	25.3 years	25.6 years
Females	28.1 years	28.0 years

Warwickshire County Council Pension Fund (Kingsbury School)

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

	2016
Discount rate for scheme liabilities	2.10 %
Rate of increase in salaries	4.10 %
Rate of increase for pensions in payment / inflation	2.10 %

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

	2016
Retiring today	
Males	22.4 years
Females	24.4 years
Retiring in 20 years	
Males	24.3 years
Females	26.6 years

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

24. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,751,000	901,000
Government bonds	153,000	112,000
Property	251,000	128,000
Cash	149,000	75,000
Other bonds	345,000	153,000
Other	238,000	139,000
	<u>2,887,000</u>	<u>1,508,000</u>
Total market value of assets	<u>2,887,000</u>	<u>1,508,000</u>

The actual return on scheme assets was £547,000 (2015: £131,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(482,000)	(278,000)
Net interest cost	(109,000)	(80,000)
	<u>(591,000)</u>	<u>(358,000)</u>
Total	<u>(591,000)</u>	<u>(358,000)</u>
Actual return on scheme assets	<u>547,000</u>	<u>131,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	3,747,000	3,097,000
Current service cost	482,000	278,000
Interest cost	196,000	131,000
Contributions by employees	117,000	80,000
Actuarial losses	2,164,000	170,000
Benefits paid	(30,000)	(9,000)
Liability transferred on conversion	1,086,000	-
	<u>7,762,000</u>	<u>3,747,000</u>
Closing defined benefit obligation	<u>7,762,000</u>	<u>3,747,000</u>

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

24. PENSION COMMITMENTS (continued)

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

	2016	2015
	£	£
Opening fair value of scheme assets	1,508,000	1,117,000
Return on plan assets (excluding net interest on the net defined pension liability)	87,000	51,000
Actuarial gains and (losses)	334,000	9,000
Contributions by employer	442,000	260,000
Contributions by employees	117,000	80,000
Assets acquired in a business combination	-	(9,000)
Asset transferred on conversion	429,000	-
Benefits paid	(30,000)	-
	<hr/>	<hr/>
Closing fair value of scheme assets	2,887,000	1,508,000
	<hr/>	<hr/>

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

25. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
AMOUNTS PAYABLE:		
Within 1 year	16,902	16,352
Between 1 and 5 years	17,023	4,254
Total	<u>33,925</u>	<u>20,606</u>

26. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account other than Trustees' remuneration and expenses already disclosed in note 12.

27. CONTROLLING PARTY

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

28. GENERAL INFORMATION

Castle Phoenix Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Axholme Road, Wyken, Coventry, CV2 5BD.

29. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

30. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 Bursary funds to students as an agent for EFA. In the accounting period ended 31 August 2016 the Academy Trust received £32,864 and disbursed £14,539 from the fund. An amount of £18,325 is included in other creditors relating to undistributed funds that is repayable to EFA.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

31. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014	31 August 2015
		£	£
Total funds under previous UK GAAP		2,637,009	3,553,372
Total funds reported under FRS 102		<u>2,637,009</u>	<u>3,553,372</u>

Reconciliation of net income / (expenditure)	Notes	31 August 2015
		£
Net income previously reported under UK GAAP		1,101,363
Change in recognition of LGPS interest cost	A	(24,000)
Net movement in funds reported under FRS 102		<u>1,077,363</u>

Explanation of changes to previously reported funds and net income/expenditure:

A	Under previous UK GAAP the Trust recognised an expected return on defined benefit plan assets in expenditure. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £24,000 and increase the credit in other recognised gains and losses in the SoFA by an equivalent amount.
---	---