

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

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CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Friday
L Hancock
M Marr (resigned 31 August 2018)
W Taylor-Dowson (appointed 1 September 2018)
A Simpson (appointed 1 September 2018)
P Huddleston (appointed 1 September 2018)

Trustees

M Friday, Chair
N Forrest
K McDowall (resigned 3 December 2018)
M Marr, CEO and Accounting Officer
L Hancock
P Simpson
M Hanmer (appointed 13 March 2019)
R Winters (resigned 21 November 2019)
H Reilly, Vice Chair (resigned 26 June 2019)
S Sharif
P Freeth (appointed 13 March 2019)
K Ireland

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

Trust Strategic Team

M Marr, CEO / Headteacher, Caludon Castle School
A Dudgeon, Head of Teaching School / Associate Head, Caludon Castle School
D Wilson, Headteacher, Hill Farm Primary
M Clarke, Headteacher, Kingsbury
E Over, HR Director
R Williamson, Headteacher, Foxford School
C Brammer, Headteacher, Richard Lee
H Harrison, Director of Finance and Operations

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

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

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 2 primary and 3 secondary academies in Coventry and Tamworth. Its academies have a combined pupil capacity of 4,570 and had a roll of 4,325 in the school census on 1 December 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Multi Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Multi Academy Trust.

The Trustees of Castle Phoenix Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	3
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	4,944	
Total pay bill	17,958,941	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

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

Castle Phoenix Trust's Board of Trustees 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, Kingsbury School, Foxford School and Richard Lee Primary.
- up to 2 Staff Governors appointed by the Board of Trustees.
- up to 7 Community Governors who are appointed by the Board of Trustees.
- the Chief Executive who is treated for all purposes as being an ex officio Governor.
- the Member may appoint up to 1 Governor save that no more than one third of the total number of individuals appointed as Governors shall be employees of the Multi Academy Trust (including the Chief Executive).

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

When appointing new Governors, the Board of Trustees 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 Trustees will meet at least six times a year which will include planning days. 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

There are four 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 Trustees' responsibility for setting and reviewing performance, benchmarking internally and externally, and directing corrective action where necessary.
- Considering and making recommendations to the Board of Trustees 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.
- Considering issues relating to the contracts of employment for the Chief Executive, Headteacher, and other members of each academy's Senior Leadership Team (SLT) including the review of salary, benefits and appraisal.
- Overseeing processes for the recruitment, induction, appraisal and training of all Trustees, Governors and Committee Members.
- Keeping under review the skills, knowledge and experience on the Board, Local Governing Bodies and all Board Committees and advise the Board of Trustees on succession planning and renewal.
- Overseeing the Multi Academy Trust's strategy in relation to equality, diversity and inclusion.
- Supporting the Board of Trustees in providing an added level of scrutiny in the monitoring of finance and resources.
- Keeping the Board of Trustees regularly informed of the committee's activities and key decisions.

Audit & Risk Committee - this meets at least three times a year and has an overall purpose of:

- Monitoring and assessing the internal controls of the Trust to ensure that the Trust as a whole is operating at appropriate levels of risk and in compliance with the Code of Audit Practice.
- Taking responsibility for external and internal audit matters and overseeing the work programme and performance quality of the internal and external audit services.
- Supporting the Board of Trustees in ensuring that a framework is established and maintained for the identification and management of risk.
- Supporting the Board of Trustees in providing an added level of scrutiny in the monitoring of audit and risk.
- Keeping the Board of Trustees regularly informed of the committee's activities and key decisions.

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The Board of Trustees 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 Trustees 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 Trustees, Trust SLT and the Headteachers 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 (SLT) of each academy is made up as follows:

- Caludon Castle - Headteacher, Associate Head and five Deputy Heads
- Hill Farm - Headteacher, Deputy Head, part time Deputy Head and two Strategic Directors
- Kingsbury - Headteacher and a Deputy Head
- Foxford - Headteacher and two Deputy Heads
- Richard Lee - Headteacher and a Deputy Head

The Chief Executive of Caludon, Headteacher of Hill Farm, Headteacher of Kingsbury, Foxford and Richard Lee, Finance & Resources Committee and Director of Finance and Operations, 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 Director when appropriate.

The Trust strategic team 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 HRG committee develop and recommend remuneration strategy and policy (including performance management and pay policy) to the Board of Trustees 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 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.

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 Castle Phoenix 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 pupils of different abilities.



CASTLE PHOENIX

Multi Academy Trust

OUR VISION

Growing Confident Learners
By
Leading Learning Excelling together

OUR VALUES

We will demonstrate:



Respect to
all, from all



A positive
attitude



Resilience and a
determination
to achieve
our best



Passion for
learning



Innovation



Collaboration

OUR PEOPLE STRATEGY

We will:

- **PROMOTE AND SECURE** excellent leadership and management
- **ATTRACT AND RECRUIT** the best staff
- **GROW AND DEVELOP** our staff to fulfil their potential
- **RETAIN AND REWARD** our staff through recognising their contribution to our Trust's vision, values and strategic aims
- **CREATE AND MAINTAIN** an innovative, nurturing and collaborative

OUR STRATEGIC PRIORITIES



Leadership at
all levels is
effective



Pupils make
good progress
within the
Trust and
achieve well



The curriculum is
stimulating and
challenging and
enables pupils to
develop a passion
for learning



Learning and
teaching is
consistently
great (very
effective
teaching
leading to
improved pupil
outcomes for
future success)



All children
within our
Trust feel well
cared for, take
pride in and
value their
school, and
want to
achieve their
best



TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives, Strategies and Activities
STRATEGIC AIMS

- Leadership at all levels is effective.
- Pupils make good progress within the Trust and achieve well.
- The curriculum is stimulating and challenging and enables pupils to develop a passion for learning.
- Learning and teaching is consistently 'great' (very effective teaching leading to improved pupil outcomes for future success)
- All children within our Trust feel well cared for, take pride in and value their school, and want to achieve their best.

SCHOOL IMPROVEMENT

The Trust specialises in 'Leadership'. Leadership development underpins all of our work. We believe that most school processes - change, talent, teams, engagement, innovation, collaboration – stand or fall on the quality of leadership. All our leaders are unique and there is not an ideal character for leadership. We want all our leaders to develop emotional intelligence and deepen their knowledge skills and leadership attributes to be effective. We develop leadership capacity at every level, building self-awareness, confidence and initiative; we work with the talent that is in every school for future leadership and we support the development of a leadership culture. This includes developing student leaders. The best future leaders are probably already in our schools. There is no better way to ensure our Trust stays effective than by challenging, nurturing and enabling our most talented staff.

Strategy + Capacity + Pace = School Improvement

The strategy comes from strong leadership and good governance. There are times when schools within our trust are a 'capacity taker' and others when they are a 'capacity giver'. There are quick fixes that can be made to stabilise a school, but sustained improvement comes over time and from within.

UNDERSTANDING AND DEFINING THE APPROACH TO SCHOOL IMPROVEMENT

Our model for school improvement focuses upon the following themes:

- Vision, Culture, Ethos and Strategy
- People and capacity
- Curriculum, teaching, learning and assessment
- Quality assurance and accountability

Vision, Culture, Ethos and Strategy

Is there evidence of a clear vision and strategy, in line with the Trust framework, that promotes effective school improvement?

- The Trust has co-constructed new Vision and Values. All schools have a clear vision and a framework for school improvement.

Is there evidence of impact against the Trust strategic aims and the 5 Keys?

- Following four recent Ofsted inspections in the last eighteen months, Leadership and management in all these schools has been judged as Good. Learning and teaching has also been judged as Good. The three long standing schools within the Trust received 'Good' inspection outcomes this year.
- The majority of pupils in all our schools makes progress in line with national expectations and achieve well.
- All our schools are developing a stimulating and challenging curriculum as well as providing rich experiences beyond the classroom.
- Parental feedback demonstrates that children within our Trust feel well cared for and supported to achieve their best.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

- Leadership roles and responsibilities are made explicit and all the schools are committed to making a difference against the 5 Keys (curriculum challenge meeting the needs of the most vulnerable and ensuring pupil progress).
- Schools produce their own school improvement plans taking into account the Trust Strategic plan. There is a common format for summarising each school's plan
- All schools have detailed and appropriate school improvement plans and a summary of their plan which has been shared with the Trust board.

People and capacity

The MAT has produced a People Strategy 2020 and identifies annual priorities to support recruitment, developing and retaining good staff. The Trust is refining its approach to recruiting and developing staff (see HR section). The Trust has a good record this year of recruiting specialist staff despite national staffing challenges. The schools were fully staffed in September 2019.

Is there a clear approach to building effective leadership capacity?

- The schools have accessed NPQML and NPQSL (national leadership programmes) through our teaching school.
- The number of effective leaders have increased across the Trust and several are now working across schools within the partnership.

How well do schools blend professional learning with improving knowledge and practice?

- Teaching continues to improve across the Trust and has been judged Good in 4 out of 5 of the schools within the Trust following recent inspections.

Curriculum, teaching, learning and assessment

Does the curriculum support the Trust strategic aims and provide good challenge?

- The Trust's 'Take it Further' (TIF) strategy is evident within most schools and is beginning to provide additional challenge opportunities for all pupils.
- Within the secondary schools, progression of learning maps for each subject have been produced and are linked to internal assessment.
- Within the primary schools, progression of learning is being developed for subjects beyond maths and English.

Are the 6 principles of 'great' teaching embedded effectively within school practice?

- Aspects of Modelling, Explanation, Practice, Questioning, Feedback, Challenge are teaching foci within the schools.

Is assessment accurate, valid, fit for purpose and used to make a difference?

- The secondary schools are beginning to align their assessment systems.
- The primary schools have adopted the same assessment system enable moderation.
- Schools within the Trust have enhanced their curriculum to provide better experiences for their children and assessment aligns to this.
- All schools within the Trust have increased their wider experience offer to pupils which will enhance pupils' cultural capital.

Quality assurance and accountability

How strong are the systems for evaluating school performance?

How well does the school use quantitative and qualitative data in evaluating school performance?

- Every term there is detailed performance analysis within schools but also through Trust KPI documents which identify strengths and areas for further development. Quality assurance is planned for within each school and is robust. External challenge partners are used to provide additional support and challenge.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Our school improvement strategy aims to:

- Foster collaboration between schools
- Improve the quality of leadership in all schools
- Analyse data to identify and target interventions for specific groups of children
- Engage parents and community
- Ensure robust QA and accountability for schools including peer and external reviews
- Support behaviour and inclusion issues
- Ensure and facilitate excellent professional development and feedback/ coaching for teachers
- Identify, evaluate, and spread effective and innovative practices across the Trust
- Recruit, develop and retain talent
- Develop shared approaches to curriculum and assessment
- Develop shared approaches to pedagogy

Public Benefit

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

STRATEGIC REPORT

Navigating Diversity, Identity and Consistency

Schools have their own identity and sense of history and we recognise that, through diversity and innovation, we can grow stronger as a Trust. Good schools demonstrate consistency throughout their practice and our quality assurance processes seek to identify systemic processes and typicality of ongoing improvement against the 5 Keys within schools. We share aspects of schools' work that is effective across the Trust. To enable this and to bring coherence to our Trust, schools report to the Trust board using a few common templates.

The combined outcomes for the Trust in terms of the progress young people are making from KS1 to 2 and Progress 8 at KS4 are in line with national averages.

Key Performance Indicators

Progress *	Compared to National Average (NA)	Progress
Primary		
Hill Farm Primary		
KS2 Reading	In line with NA	-0.17
KS2 Writing	In line with NA	-0.44
KS2 Maths	In line with NA	0.64
Richard Lee Primary		
KS2 Reading	In line with NA	-0.90
KS2 Writing	In line with NA	-1.35
KS2 Maths	In line with NA	-0.06
Secondary		
Caludon Castle	In line with NA	-0.10
Kingsbury	In line with NA	-0.14
Foxford	Well below NA	-0.72

*Unvalidated data 24/10/2019

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Attainment	National Average	School Achieving expected standard
Primary		
Hill Farm Primary		
KS2 Combined R,W,M	65%	52% ↑
KS2 Reading	73%	60%
KS2 Writing	78%	70%
KS2 Maths	79%	67%
Grammar, punctuation and spelling	78%	67%
Richard Lee Primary		
KS2 Combined R,W,M	65%	47%
KS2 Reading	73%	52%
KS2 Writing	78%	67%
KS2 Maths	79%	72%
Grammar, punctuation and spelling	78%	53%
Secondary		
Caludon Castle		
Standard Passes in English and Maths	64%	67%
Strong Passes in English and Maths	43%	40%
Standard pass in English	69%	79%
Standard pass in Maths	69%	71% ↑
Strong pass in English	60%	60%
Strong pass in Maths	49%	45%
Kingsbury		
Standard Passes in English and Maths	64%	57%
Strong Passes in English and Maths	43%	33%
Standard pass in English	69%	79%
Standard pass in Maths	69%	66%
Strong pass in English	60%	55%
Strong pass in Maths	49%	39%
FOXFORD		
Standard Passes in English and Maths	64%	44%
Strong Passes in English and Maths	43%	22%
Standard pass in English	69%	50%
Standard pass in Maths	69%	53%
Strong pass in English	60%	35%
Strong pass in Maths	49%	29%

↑ an increase from the previous year

Caludon Post 16	2018	School
A*/B A level grades	50%	52.6% ↑
Value added	Significantly positive	0.18

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The combined outcomes for the Trust in terms of attendance and exclusions are in line with national averages. 2018/19 national average is not currently available.

Behaviour and Attendance	Absence 2017/18	Persistent Absence 2017/18	Exclusions 2017/18
Primary			
Hill Farm Primary	5.2%	14.1%	5.25%
Richard Lee Primary	4.8%	10.7%	12.2%
Secondary			
Caludon Castle	4.7%	10.4%	5.5%
Kingsbury	5.8%	14.7%	7.32%
Foxford	6.1%	17.7%	5.13%

External Evaluation

Ofsted Judgements	Overall Effectiveness	Inspection date
Primary		
Hill Farm Primary	GOOD	May 2019
Richard Lee Primary	GOOD	New Academy Dec 2018 - Mar 2018
Secondary		
Caludon Castle	GOOD	Feb 2019
Kingsbury	GOOD	April 2019
Foxford	REQUIRES IMPROVEMENT	New Academy Oct 2018 – May 2016

Progress outcomes for the majority of children who are educated within the Castle Phoenix MAT are, overall, in line with national expectations. External inspection of 3 schools by Ofsted 2018/19 confirms all schools are performing effectively and that there is capacity of leadership to develop the schools further. These secondary schools have received external reviews to assess their pupil premium strategy:

Caludon Castle - "In-school assessment information shows that most disadvantaged pupils are making some progress in English, mathematics and science in Years 7 to 10. There is a strong focus on getting disadvantaged pupils to take up additional intervention. A whole-school strategy, 'overcoming barriers to learning', provides increased levels of support."

Kingsbury - "The leadership of the school's use of the pupil premium is effective. Staff have a good understanding of the barriers to learning that some pupils' experience. Many of these are complex. Funds are used appropriately. Attendance of disadvantaged pupils continues to improve and pupils behave well within school. The school has a clear focus on further improving the achievement of disadvantaged pupils."

Hill Farm - "Because staff understand pupils' needs well, they provide a wide range of high quality extra help in school. For example, leaders have identified that the school has many 'young carers', who provide care for their parents at home. Staff organise several groups where these pupils come together and share their thoughts and worries in a caring and supportive environment."

Leadership and Management

Overall, Leadership and Management is good and making a difference to schools' performance. Each school has a clear, well communicated vision, focused upon raising aspirations and achievement for all, and a plan as to how to implement that vision.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

All schools within the Trust now have clear quality assurance and evaluation systems in place to improve consistency and performance. The Trust has moved towards a stronger commitment to shared approaches that are improving practice.

In the secondary schools, shared CPD & assessment without levels are extended by peer reviews with frequent inclusion of external challenge.

'Faculty Centred Leadership' is a common approach used across the secondary schools which provides a subject development and accountability framework. Subjects take action to address five 'Key' questions and demonstrate their impact on a termly basis. This approach is being adopted at Primary level.

1. What are you doing to strengthen the curriculum?
2. What are you doing to make sure your most able pupils are stretched?
3. What steps are you taking to improve outcomes for your most vulnerable pupils?
4. What are you doing to ensure teaching is 'great'?
5. What are you doing to demonstrate that pupils are making progress and gaps in their learning are addressed?

Learning and Teaching

Overall, the quality of teaching is good across the Trust.

In October 2019, the annual Trust learning and teaching conference launched the key teaching theme for the year ahead- 'Teaching to the Top'. Caludon Castle, Kingsbury, Hill Farm, Richard Lee and Foxford presented learning shops and student leaders advised teachers on what makes for effective use of technology. Guest speaker, Nina Jackson, highlighted the need to 'Reach for the Stars' using creativity and imagination as tools to engage and deepen thinking. To never give up on any child and to have high expectations. Leaders, also, had the opportunity to work with Nick Saunders whose specialism is to provide practical tools for effective communication and collaboration in the work place.

10 school direct trainees within our Trust were trained by the Castle Phoenix teaching school and all of them received good or better judgements at the end of their placements. 5 of them subsequently were employed to work within the Trust as Newly Qualified Teachers. One of our secondary school direct trainees, won the Ann Barnes Award for the 'Most Inspirational Secondary Teacher' from Warwick University. This is the second year in a row that one of our trainees has won an award.

Supporting School Performance

A trust-wide school improvement strategy continues to be embedded within school practice. Systems to track data, the collection of regular KPI and a stronger performance management system are sustaining improvement in the schools.

The self-evaluation of the academies is maturing so that they have greater ownership of their own requirements and make more bespoke support demands of the Trust.

This year the executive management team comprising head teachers and deputy head teachers are involved in peer review, visiting each school in turn. The first visit to Kingsbury School, demonstrated very clearly how they embrace the Trust vision, values and strategic aims within their school context. The Trust's 'take it further' strategy was seen whilst visiting and significant development work was portrayed through the progression of learning maps presented in History.

There is a systematic programme of school to school support in both phases that is focused on the need of individual academies.

The Trust's school improvement strategy is built around a pool of talented teachers and leaders who know the impact of their work and can name it and describe it. This is predominantly applicable to the lead school but there is evidence of it developing wider.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

There is a Trust wide commitment to making a contribution to local, regional and national educational networks beyond the MAT. The CEO leads one of the four Coventry city secondary collaborative school improvement networks.

The Trust has its own Teaching School Alliance with 23 school partners, a National Leader of Education (NLE), a Local Leader of Education (LLE) and 10 Specialist Leaders of Education (SLEs) based within the Trust academies who provide support across the Trust but also to schools beyond the Trust.

Governance

There is a clear delegated framework for governance at Trust Board and local governing body level that makes the responsibilities of both the Board and any LGBs explicit. This has been revisited and updated this year to enable Trust growth. Governors and Trustees have undertaken a skills audit to ensure the Trust has the skillset needed to support their role of holding the organisation and individual academies to account.

Executive summary reports, from the central School improvement, Finance/Resources, and HR committees, are provided each term. The Trust board make appropriate recommendations for these committees to act upon thus ensuring that any potential risks are addressed.

Financial Sustainability

The Trust currently has strong and sustainable finances which enable it to deliver the education it wants for its young people. The overall financial position of the trust is secure and financial systems are robust at trust level.

Academies understand the collective financial responsibility for the trust.

Financial planning and systems are in place to ensure the trust's 3 years' vision is deliverable despite the impact of changes to funding for individual academies.

School Numbers	PAN Capacity	Actuals December 2019
Primary		
Hill Farm Primary	708	587
Richard Lee Primary	682*	508
Secondary		
Caludon Castle	1445	1519
Kingsbury	700	704
Foxford	1035	1007
Total	4570	4325

*PAN under review by the LA as Richard Lee became two form entry prior to conversion

2018-19	Reserves £ As 1.9.2018	Surplus / (Deficit) £	Balance £
Primary			
Hill Farm Primary	1,609,107	204,806	1,813,913
Richard Lee Primary	-	192,628	192,628
Secondary			
Caludon Castle	3,025,302	(709,532)	2,315,770
Kingsbury	324,393	30,026	354,419
Foxford	-	566,141	566,141
Total	4,958,802	284,069	5,242,871

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Premises

The Trust's estates and facilities manager who is responsible for overseeing the building maintenance and development programme for each school site as well as ensuring health and safety guidelines are adhered to.

Building Development	Total Costs		Projects Completed
	2018/19	Est. Balance 2019/20	
Primary			
Hill Farm Primary	£24,597.64	£4,593.91 (boiler project) £5,199.44 (drainage project)	New soft flooring in corridors for one block New windows in 3 classrooms Installation of finger shields to internal doors Re-line KS2 playground courts Additional power supply for kitchen Installation of door access controls
Richard Lee Primary	£6,190.00	£0	Installation of access control to car park gate New water heater and boiler
Secondary			
Caludon Castle	£0		
Kingsbury	£70,780.34	£3,372.77 (External envelope project)	Redecoration of one block Installation of safety signage, intruder alarm and hold open devices Resurfacing works Additional CCTV cameras Swimming pool dosing system
Foxford	£17,590.48	£0	Installation of internal fire doors, LED lighting, emergency lighting and fire alarm call point

Human Resources

The mean gender pay gap statistics for CPT identify that women are 11.65% lower paid compared to men in the Trust. This is below the national average of 17.3% and the Trust is committed towards seeing an improvement. Overall, the Trust employs a higher ratio of part time teachers compared to the national average with primary schools employing part timers in line with the national average and secondary schools employing above the national average number of part time teachers.

The Trust sickness absence pattern, without long term sick staff, has remained the same compared to last year. Staff who have been supported through the promoting health at work process will leave or have left the Trust or will achieve their absence targets, with a small number remaining under review. With a sickness rate of 2.28%, not including long term sick, the percentage rate is just lower than the public sector average.

Staff turnover has increased slightly and is 17.17% compared to 16.86% for last year. This is still below the national average. Turnover has increased slightly owing to fixed term contracts coming to an end and due to the need to reduce the number of employees overall in one primary school that has reduced from a 3-form entry school to a 2-form entry school. The turnover figure includes all temporary and casual staff and those staff who leave our schools to pursue PGCEs and trainee teacher placements. Growing this number is important to us as it supports CPT Alliance's commitment to train trainee teachers and increase the number of people entering teaching.

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**TRUSTEES' REPORT (CONTINUED)
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ITT continues to offer opportunities for schools in our Trust to recruit a good range of NQTs. Eight newly qualified teachers appointed in the Trust in the summer of 2019 were as a result of ITT programmes run or supported by the CPT Alliance. The Trust was pleased to make a number of key SLT appointments across the Trust and to also appoint two high quality primary Trust specialists for English and Maths; a new initiative that it anticipated to improve transition arrangements within the Trust. As a result, all schools are full resourced for the forthcoming year. Recruitment costs per head are very similar year on year and continue to be an area of focus for improvement.

The wellbeing strategy continues to build momentum, with initiatives in place to recognise staff's contribution and key objectives within the people strategy have been refreshed for next year. The revised support staff appraisal system roll out began last year and the first cycle should be concluded within the next 12 months.

The HR team supported safeguarding audits within the Trust and 75% of schools were graded outstanding with regards to safeguarding as a result. The HR team also supported from a safer recruitment perspective during the 3 Ofsted inspections during 2019 which all resulted in a good outcome.

Risk Management

The Trust has a risk register in place and it is used to monitor risks that the Trust has identified as possible threats to the organisation. There are some, but as yet, unstructured relationships between the Trust Risk plan and those in the academies.

Audits completed	Type	Date completed	Risk rating
Primary			
Hill Farm Primary	Safeguarding	Spring term	Outstanding
Richard Lee Primary	Safeguarding	Spring term	Good
Richard Lee Primary	Responsible Officer Report	Spring term	3 Red 3 Amber 3 Green
Secondary			
Caludon Castle	Safeguarding	Spring term	Outstanding
Foxford School	Safeguarding	Spring term	Outstanding
Foxford School	Responsible Officer Report	Autumn term	6 Red 2 Amber 3 Green

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of Castle Phoenix Trust's income is obtained from the DfE via the ESFA 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 2018 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.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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.

Caludon made a deficit in year but this was planned due to support given to other schools in the Trust.

Reserves Policy

The Board of Trustees 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 free reserves should be one month's salary for each individual academy; £1,542,011.

The Trust has carried out a four year budget plan and recognises that the reserves will be needed to maintain the current staffing levels, thereby maintaining the effective delivery of education. The PFI utilities liability is held by the Trust and rising costs have been taken into consideration. The Trust is not eligible for CIF and will move to SCA funding. The Trust have taken into consideration the timing of receiving the funding against the risk of urgent repairs being required to the buildings of an additional establishment to the Trust.

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.

Investment Policy

The Board of Trustees 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 ESFA. 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

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

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 Risk Register was drawn up and continues to be reviewed, by the Audit and Risk Committee. 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 due to local demographic fall in rolls for primary school places therefore risks to revenue funding are possible. Moreover, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and PFI costs mean that budgets will be increasingly tight in coming years.

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

At the year end, 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 Trustees 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.

FUNDRAISING

Castle Phoenix Trust raises money for charities across all its schools.

All monies collected are done so in line with the Castle Phoenix Trust Financial Management Procedures Policy which ensures fundraising conforms to recognised standards and duties are delegated to ensure that at no point only one person counts the monies raised. With each charity collection, information is supplied to inform all who donate what the charity is specifying what it will be used for where necessary. Professional fundraisers are not employed by the Trust.

During the financial year 2018/19, the charities fundraising activities raised a total of £12,217.09. Individual schools raised monies for the following charities:

<u>Caludon Castle School</u>	
Cancer Research	£ 440.00
Neo Natal Baby Unit	£ 227.00
Rainbow Road Trust	£ 106.00
Free Radio	£ 1,403.90
Air Ambulance	£ 1,605.90
Save the Children	£ 400.00
Children in Need	£ 1,450.00
Comic Relief	£ 1,230.00

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Plastic Ocean	£ 55.00
Young Minds	£ 520.00
Macmillan	£ 155.00
Total	£ 7,592.80

Hill Farm Primary School

Children in Need	£ 271.38
Macmillan	£ 601.24
Cancer Research	£ 330.00
Red Nose Day	£ 258.18
Roald Dahl Marvellous Charity	£ 167.50
Christmas Jumper Day	£ 83.34
GOSH	£ 22.57
Total	£ 1,734.21

Kingsbury School

Christmas Jumper Day	£ 660.50
Children in Need	£ 544.36
Cancer Research	£ 123.16
Jean for Genes	£ 657.19
Total	£ 1,985.21

Foxford School

Coventry Food Bank	£ 205.00
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Richard Lee Primary School

Red Nose Day	£ 699.87
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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.

Condition Improvement Fund bids and appeals, did not prove to be successful for Kingsbury, Hill Farm or Foxford. Following the addition of Richard Lee and Foxford, Castle Phoenix Trust will now be eligible for SCA (School Condition Allocation) funding.

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

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.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

- 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 - establishments of Castle Phoenix Trust have briefing/meeting schedules in place ensures all staff are communicated with on a regular basis.

TRUSTEES INDEMNITIES

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 1st December 2019 and signed on its behalf by:



**M Friday
Chair of Board of Trustees**

**CASTLE PHOENIX TRUST
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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 Trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Castle Phoenix Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees 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. The board of Trustees has formally met 4 times during the year. They also met twice to carry out planning for the future period.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Friday, Chair	4	4
N Forrest	3	4
K McDowall	0	2
M Marr, CEO and Accounting Officer	4	4
L Hancock	1	4
P Simpson	4	4
M Hanmer	2	2
R Winters	0	2
H Reilly, Vice Chair	4	4
S Sharif	2	4
P Freeth	2	2
K Ireland	3	4

H Reilly, due to work commitments, resigned from the Board and Kingsbury LGB on 26/06/2019.

K McDowall, due to work commitments, resigned from the Board and Audit and Risk Committee on 12/12/2019.

R Winters remained on Hill Farm LGB but resigned from the Board, Finance and Resources Committee, and HR & Governance Committee on 13/03/2019.

M Hanmer was appointed on 13/03/2019.

P Freeth was appointed on 13/03/2019.

The Board has considered the Trust performance documents along with the School Improvement Advisory Panel feedback to ensure each school is on track with targets set and is following the Trust vision and values.

Academy briefing notes are circulated to Trustees prior to meetings covering, staffing, finance, premises, Trust growth, school effectiveness, school improvement, HR and governance. The notes cover the periods since the last Board meeting and give an overview of individual establishments.

CASTLE PHOENIX TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

The Finance and Resources Committee is a sub-committee of the main board of Trustees. Its purpose is set out on page 5. The Committee formally met four times during the year 2018/19.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Friday, Chair	4	4
N Forrest, Vice Chair	3	4
B Sedgebear	4	4
R Winters	1	4
C Pearce	1	2
M Hanmer	2	2
M Marr	4	4

R Winters resigned from the Committee on 13/03/2019 (see note on Board of Trustees).

C Pearce resigned from the Committee on 02/11/2018.

M Hamner was appointed to the Committee on 13/03/2019.

The HR & Governance Committee is also a sub-committee of the main board of Trustees. Its purpose is set out on page 5. The Committee formally met twice during the year 2018/19.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L Hancock, Chair	2	2
P Simpson, Vice Chair	1	2
R Liddle	0	2
R Winters	0	2
H Reilly	0	2
T Watkins	2	2
P Freeth	1	1
M Marr	2	2

R Liddle end of term office 31/07/2019.

R Winters resigned from the Committee on 13/03/2019 (see note on Board of Trustees).

H Reilly resigned on 26/06/2019.

T Watkins was appointed on 15/02/2019.

P Freeth was appointed on 13/03/2019.

The Audit & Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is set out on page 5. The Committee formally met once during the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Simpson, Chair	1	1
S Sharif, Vice Chair	1	1
K McDowall	1	1

K McDowall resigned on 12/12/2018.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

There were further meetings held in the year but as they were not in quorum they could not go ahead. Business was therefore conducted remotely and any risks discussed at the full board meeting.

Local Governing Body Committee

All academies in Castle Phoenix Trust operate a Local Governing Body Committee as sub-committees of the main Board of Trustees. The purpose of the Local Governing Body Committee is set out on page 5.

Caludon Castle Local Governing Body formally met six times during the year. Attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
K Ireland, Chair	6	6
B Sedgebear, Vice Chair	1	6
E Over	5	6
A Davoile	3	6
A Dhilon	1	4
A Courts	5	6
L Campton	0	1
A Underhill	5	6
T Watkins	1	6
J Morgan	3	4
E Brown	3	4
I Griffiths	4	4
Y Chegwidden	2	4

A Dhilon resigned 18/09/2018.

L Campton resigned 28/09/2018.

J Morgan was appointed on 11/12/2018.

E Brown was appointed on 11/12/2018.

I Griffiths was appointed on 11/12/2018.

Y Chegwidden was appointed on 11/12/2018.

Hill Farm Local Governing Body formally met five times during the year. Attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
R Winters (Chair)	5	5
C Harrison (Vice Chair)	2	5
R Liddle	4	5
A Crawford	0	3
M Brown	5	5
H Wintle	3	5
I Houghton	5	5
B Bell	2	3
Z Lilley	3	5
N Proctor	3	4

C Harrison due to work commitments, resigned on 18/09/2018.

R Liddle end of term of office 31/07/2019.

A Crawford resigned 04/02/2019.

N Proctor was appointed on 11/12/2018.

Kingsbury Local Governing Body formally met six times during the year. Attendance during the year was as follows:

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GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

Trustee	Meetings attended	Out of a possible
H Reilly (Chair)	5	5
M Dugdale (Vice Chair)	3	6
K Healey	5	6
S Leach	1	2
D Peace	5	6
C Pearce	6	6
H Pickering	3	6
S Essex	5	6
T Bunn	2	4
J Cope	3	3
C Bristol	2	3

H Reilly resigned 26/06/2019.

K Healey resigned 25/09/2018.

S Leach resigned 30/03/2018.

T Bunn was appointed on 11/12/2018.

J Cope was appointed on 13/03/2019.

C Bristol was appointed on 13/03/2019.

Foxford Local Governing Body formally met five times during the year. Governors were appointed from 1 December 2018. Attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
R Elkin (Chair)	5	5
M Simpson (Vice Chair)	5	5
D Clews	2	5
N Grierson	1	5
D Hughes	2	5
H Natali	4	5
L Bingham	3	5
L Harvard	3	5
K Crawford	1	5
R Hassan	0	5
K Datoo	4	4

Richard Lee Local Governing Body formally met four times during the year. Governors were appointed from conversion date of 1 December 2018. Attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
L Gadsby (Chair)	3	4
T Lane (Vice Chair)	2	4
S Madden	2	4
J Taylor	3	4
J Applegarth	4	4
D Jenkins	2	4
D Broadfield	0	4
S Joyce	4	4
L Anderson	2	4

**CASTLE PHOENIX TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Chief Executive has responsibility for ensuring that the Multi Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Multi Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Multi Academy Trust has delivered improved value for money during the year by

- Value for money purchasing i.e. photocopying contract extended, using the ESPO framework, to other academies within the Trust.
- A number of group purchases have been made through the Trust in terms of subscriptions i.e. The Key and NGA, a virtual learning environment.
- Delivery across the Trust of in-house training, for example the Castle Phoenix Trust annual learning and teaching conference and support/admin conference enable collective inset.
- With the addition of two new schools, reviewing controls and managing risks.
- Continuing to deploy staff effectively across the Trust to share good practice and expertise which also enables additional in-house training. This saves costs as well as provide employees with development opportunities.
- Challenging proposals across the Trust and examining their effectiveness and efficiency.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.

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 Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Castle Phoenix Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes 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 Trustees has considered the need for a specific internal audit function and have appointed Bishop Fleming LLP to carry out a programme of internal assurance checks.

The reviewers role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations

On a quarterly basis, the reviewer reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

As Accounting Officer, the 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 auditor;
- the work of the managers and governors within Castle Phoenix 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 Resource Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 11th Dec 2019 and signed on their behalf by:



Mark Friday
Chair of Board of Trustees



Michele Marr
Accounting Officer

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

As accounting officer of Castle Phoenix Trust I have considered my responsibility to notify the Multi Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Multi Academy Trust, under the funding agreement in place between the Multi 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 2018.

I confirm that I and the Multi Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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 ESFA.



Michele Marr

Accounting Officer

Date: 11th December 2019

CASTLE PHOENIX TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills 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 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/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 Trustees on *11th December 2019* and signed on its behalf by:



M Friday
Chair of Board of Trustees

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

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

Opinion

We have audited the financial statements of Castle Phoenix Trust (the 'multi academy trust') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Multi Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Multi Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Multi Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which 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.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Multi Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Multi Academy Trust or to cease operations, or have no realistic alternative but to do so.

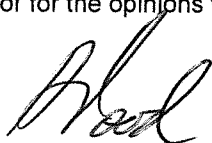
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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 opinions we have formed.



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: 12th December 2015

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CASTLE
PHOENIX TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 November 2011 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, 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 2018 to 31 August 2019 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 the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Castle Phoenix Trust and ESFA 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 ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Castle Phoenix Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Castle Phoenix Trust's funding agreement with the Secretary of State for Education dated 31 January 2013 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. 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.

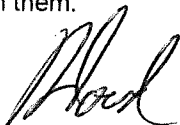
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Multi Academy Trust's income and expenditure.

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CASTLE
PHOENIX TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has 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

1-3 College Yard
Worcester
WR1 2LB

Date: 12th December 2019



CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
INCOME FROM:						
Donations and capital grants:	4					
Surplus on joining		-	(3,073,686)	28,992,813	25,919,127	-
Other donations and capital grants		-	347,501	382,694	730,195	988,649
Charitable activities	5	317,057	22,488,870	-	22,805,927	15,421,337
Teaching schools	31	-	225,433	-	225,433	146,728
Other trading activities	6	291,720	-	-	291,720	279,873
Investments	7	3,310	-	-	3,310	3,497
TOTAL INCOME		612,087	19,988,118	29,375,507	49,975,712	16,840,084
EXPENDITURE ON:						
Charitable activities		113,780	25,055,356	750,449	25,919,585	16,847,701
TOTAL EXPENDITURE	8	113,780	25,055,356	750,449	25,919,585	16,847,701
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)						
		498,307	(5,067,238)	28,625,058	24,056,127	(7,617)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	25	-	(2,194,000)	-	(2,194,000)	1,073,000
NET MOVEMENT IN FUNDS		498,307	(7,261,238)	28,625,058	21,862,127	1,065,383
RECONCILIATION OF FUNDS:						
Total funds brought forward		2,552,025	(2,074,223)	9,456,450	9,934,252	8,868,869
Net movement in funds		498,307	(7,261,238)	28,625,058	21,862,127	1,065,383
TOTAL FUNDS CARRIED FORWARD	19	3,050,332	(9,335,461)	38,081,508	31,796,379	9,934,252

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 37 to 65 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	15	37,995,335	9,014,259
CURRENT ASSETS			
Debtors	16	1,339,073	666,386
Cash at bank and in hand		5,675,413	5,866,714
		<u>7,014,486</u>	<u>6,533,100</u>
Creditors: amounts falling due within one year	17	(1,685,442)	(1,132,107)
NET CURRENT ASSETS		<u>5,329,044</u>	<u>5,400,993</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>43,324,379</u>	<u>14,415,252</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>43,324,379</u>	<u>14,415,252</u>
Defined benefit pension scheme liability	25	(11,528,000)	(4,481,000)
TOTAL NET ASSETS		<u><u>31,796,379</u></u>	<u><u>9,934,252</u></u>
FUNDS OF THE MULTI ACADEMY TRUST			
Restricted funds:			
Fixed asset funds	19	38,081,508	9,456,450
General funds	19	2,192,539	2,406,777
		<u>40,274,047</u>	<u>11,863,227</u>
Restricted funds excluding pension asset	19	(11,528,000)	(4,481,000)
Total restricted funds	19	<u>28,746,047</u>	<u>7,382,227</u>
Unrestricted funds	19	<u>3,050,332</u>	<u>2,552,025</u>
TOTAL FUNDS		<u><u>31,796,379</u></u>	<u><u>9,934,252</u></u>

The financial statements on pages 34 to 65 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



M Friday
Chair of Board of Trustees

11th December 2019.

The notes on pages 37 to 65 form part of these financial statements.

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	21	161,407	(941,759)
CASH FLOWS FROM INVESTING ACTIVITIES	22	(352,708)	276,463
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(191,301)	(665,296)
Cash and cash equivalents at the beginning of the year		5,866,714	6,532,010
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	23	5,675,413	5,866,714

The notes on pages 37 to 65 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. 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.

2. 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.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Castle Phoenix Trust meets the definition of a public benefit entity under FRS 102.

2.2 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 Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi 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.

2.3 INCOME

All incoming resources are recognised when the Multi Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

2. ACCOUNTING POLICIES (continued)

2.3 INCOME (CONTINUED)

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Multi Academy Trust has provided the goods or services.

- **Transfer on conversion**

Where assets and liabilities are received by the Multi Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Multi Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Multi Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Multi Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Multi Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Multi Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

2.4 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Multi Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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.

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

Depreciation is provided 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
Motor vehicles	- over 10 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.

2.7 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 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.

2.9 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

2. ACCOUNTING POLICIES (continued)

2.10 FINANCIAL INSTRUMENTS

The Multi Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Multi Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.11 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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the Multi Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. ACCOUNTING POLICIES (continued)

2.12 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 the 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/donor and include grants from the Department for Education Group.

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

3. 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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 2019

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations & capital grants				
Surplus on joining	(3,073,686)	28,992,813	25,919,127	-
	<u>(3,073,686)</u>	<u>28,992,813</u>	<u>25,919,127</u>	<u>-</u>
Donations	347,501	-	347,501	275,473
Capital Grants	-	382,694	382,694	713,176
	<u>347,501</u>	<u>382,694</u>	<u>730,195</u>	<u>988,649</u>
Total	<u>(2,726,185)</u>	<u>29,375,507</u>	<u>26,649,322</u>	<u>988,649</u>
TOTAL 2018	<u>275,473</u>	<u>713,176</u>	<u>988,649</u>	

CASTLE PHOENIX TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

5. FUNDING FOR THE MULTI ACADEMY TRUST'S EDUCATION

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
DfE/ESFA GRANTS				
General Annual Grant	-	20,830,741	20,830,741	13,917,245
Start up grants	-	-	-	80,000
Other DfE/ESFA grants	-	1,182,877	1,182,877	665,287
	-	22,013,618	22,013,618	14,662,532
Other Government grants				
Other government grants non capital	-	222,427	222,427	246,214
	-	222,427	222,427	246,214
Other funding				
Internal catering income	218,798	-	218,798	132,991
Other	98,259	252,825	351,084	379,600
	317,057	252,825	569,882	512,591
TOTAL 2019	317,057	22,488,870	22,805,927	15,421,337
TOTAL 2018 AS RESTATED	256,005	15,165,332	15,421,337	

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Consultancy	63,495	63,495	74,712
Other	228,225	228,225	205,161
TOTAL	291,720	291,720	279,873

All amounts in the prior year related to the unrestricted fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	3,310	3,310	3,497
TOTAL	<u>3,310</u>	<u>3,310</u>	<u>3,497</u>

All amounts in the prior year related to the unrestricted fund.

8. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
EDUCATION:					
Direct costs	15,345,584	750,449	1,506,095	17,602,128	11,477,567
Allocated support costs	3,676,122	1,218,549	3,225,133	8,119,804	5,235,052
TEACHING SCHOOL:					
Direct costs	-	-	197,653	197,653	135,082
TOTAL 2019	<u>19,021,706</u>	<u>1,968,998</u>	<u>4,928,881</u>	<u>25,919,585</u>	<u>16,847,701</u>
TOTAL 2018	<u>12,434,770</u>	<u>781,258</u>	<u>3,631,673</u>	<u>16,847,701</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	17,602,128	8,119,804	25,721,932	16,712,619
Teaching school	197,653	-	197,653	135,082
TOTAL 2019	<u>17,799,781</u>	<u>8,119,804</u>	<u>25,919,585</u>	<u>16,847,701</u>
TOTAL 2018	<u>11,612,649</u>	<u>5,235,052</u>	<u>16,847,701</u>	

Analysis of direct costs

	Total funds 2019 £	As restated Total funds 2018 £
Pension finance costs	91,520	50,310
Staff costs	15,082,022	9,764,282
Depreciation	750,449	240,915
Educational supplies	443,501	344,413
Examination fees	345,527	205,749
Staff development	123,657	230,678
Other costs	462,872	359,602
Supply teachers	263,562	335,421
Technology costs	236,671	81,279
TOTAL	<u>17,799,781</u>	<u>11,612,649</u>

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FOR THE YEAR ENDED 31 AUGUST 2019

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2019 £	As restated Total funds 2018 £
Pension finance costs	116,480	78,690
Staff costs	3,676,122	2,335,067
Other costs	90,277	4,721
Recruitment and support	20,516	30,992
Maintenance of premises and equipment	534,397	387,565
Rent and rates	174,561	101,979
Energy costs	274,563	128,492
Insurance	80,792	448
Security and transport	51,955	33,558
Catering	316,366	140,184
Technology costs	209,924	131,365
Office overheads	159,089	78,989
Legal and professional	574,570	258,627
Service level agreements	538,580	455,041
PFI Charges	1,269,962	1,048,214
Educational consultancy	31,650	21,120
TOTAL	8,119,804	5,235,052

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	27,360	39,578
Depreciation of tangible fixed assets	750,449	240,915
Fees paid to auditors for:		
- audit	20,575	18,900
- other services	10,070	4,250

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. STAFF COSTS

a. STAFF COSTS

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	14,118,123	9,203,239
Social security costs	1,377,414	904,773
Pension costs	3,262,607	1,949,871
	<u>18,758,144</u>	<u>12,057,883</u>
Agency staff costs	263,562	335,421
Staff restructuring costs	-	41,466
	<u><u>19,021,706</u></u>	<u><u>12,434,770</u></u>

Staff restructuring costs comprise:

	2019 £	2018 £
Severance payments	-	41,466
	<u>-</u>	<u>41,466</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

There were no staff restructuring costs in the year (2018 - two non-statutory severance payments totalling £11,250 and £30,216).

c. STAFF NUMBERS

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

	2019 No.	2018 No.
Teaching Staff	241	161
Support Staff	406	240
Leadership	49	32
	<u><u>696</u></u>	<u><u>433</u></u>

CASTLE PHOENIX TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. STAFF COSTS (CONTINUED)

c. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teaching Staff	213	143
Support Staff	216	125
Leadership	46	31
	<u>475</u>	<u>299</u>

d. HIGHER PAID STAFF

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	7	5
In the band £70,001 - £80,000	5	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £689,541 (2018 - £1,427,916).

**CASTLE PHOENIX TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. 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:

4% of GAG for each financial year. Caludon Castle bears all of the central costs and then levies 4% GAG charge to each Academy for these.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Hill Farm Primary School	96,649	77,664
Kingsbury School	94,012	106,418
Foxford School	187,318	-
Richard Lee Primary School	62,655	-
TOTAL	440,634	184,082

13. 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 under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: Mrs M Marr: Remuneration £110,000 - £115,000 (2018 - £105,000 - £110,000), Employer's pension contributions £15,000 - £20,000 (2018 - £15,000 - £20,000).

During the year ended 31 August 2019, expenses totalling £1,005 were reimbursed or paid directly to 3 Trustees (2018 - £455 to 1 Trustee).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Multi Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

CASTLE PHOENIX TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

15. TANGIBLE FIXED ASSETS

	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2018	9,406,099	53,055	127,213	168,561	9,754,928
Additions	738,712	-	-	-	738,712
Transfers on joining	28,992,813	-	-	-	28,992,813
At 31 August 2019	<u>39,137,624</u>	<u>53,055</u>	<u>127,213</u>	<u>168,561</u>	<u>39,486,453</u>
DEPRECIATION					
At 1 September 2018	561,737	13,442	71,843	93,647	740,669
Charge for the year	675,749	5,306	25,443	43,951	750,449
At 31 August 2019	<u>1,237,486</u>	<u>18,748</u>	<u>97,286</u>	<u>137,598</u>	<u>1,491,118</u>
NET BOOK VALUE					
At 31 August 2019	<u>37,900,138</u>	<u>34,307</u>	<u>29,927</u>	<u>30,963</u>	<u>37,995,335</u>
At 31 August 2018	<u>8,844,362</u>	<u>39,613</u>	<u>55,370</u>	<u>74,914</u>	<u>9,014,259</u>

The Multi Academy Trust transactions relating to land and buildings included the acquisition of the leasehold on Foxford School and Richard Lee Primary School which were donated to the Multi Academy Trust at a value of £28,992,813. This was based on estimated values which will be amended in the year ended 31 August 2020 once actual valuations have been received.

16. DEBTORS

	2019 £	2018 £
DUE WITHIN ONE YEAR		
Trade debtors	44,491	39,122
Other debtors	11,661	15,350
Prepayments and accrued income	283,912	212,728
VAT recoverable	999,009	399,186
	<u>1,339,073</u>	<u>666,386</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	832,194	582,218
Other taxation and social security	116,448	150,390
Other creditors	680,044	335,560
Accruals and deferred income	56,756	63,939
	<u>1,685,442</u>	<u>1,132,107</u>
	2019 £	2018 £
Deferred income at 1 September 2018	45,039	36,487
Resources deferred during the year	37,856	45,039
Amounts released from previous periods	(45,039)	(36,487)
	<u>37,856</u>	<u>45,039</u>

At the balance sheet date the Multi Academy Trust was holding funds received in advance in relation to Universal Infant Free School Meals that relates to 2019/20.

18. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets that are debt instruments measured at amortised cost	<u>5,907,913</u>	<u>6,484,858</u>
	2019 £	2018 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(1,531,138)</u>	<u>(936,678)</u>

Financial assets that are debt instruments measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and accrued income.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS					
General Funds	2,552,025	612,087	(113,780)	-	3,050,332
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	2,177,760	20,830,741	(20,992,759)	-	2,015,742
Higher Needs funding	-	23,749	(23,749)	-	-
Pupil Premium (PP)	-	995,338	(995,338)	-	-
Start Up grants (SUG)	80,000	-	(80,000)	-	-
Other ESFA grants	-	45,884	(45,884)	-	-
Other Government grants	-	198,678	(198,678)	-	-
Teaching school	149,017	225,433	(197,653)	-	176,797
Free School Meals (FSM)	-	141,655	(141,655)	-	-
Other restricted income	-	1,328,640	(1,328,640)	-	-
Pension reserve	(4,481,000)	(3,802,000)	(1,051,000)	(2,194,000)	(11,528,000)
	<u>(2,074,223)</u>	<u>19,988,118</u>	<u>(25,055,356)</u>	<u>(2,194,000)</u>	<u>(9,335,461)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	6,928,173	28,992,813	(618,264)	-	35,302,722
Fixed assets purchased from GAG	60,802	-	(60,802)	-	-
Devolved Formula Capital (DFC)	216,800	331,182	(29,440)	-	518,542
Other ESFA capital grants	2,250,675	51,512	(41,943)	-	2,260,244
	<u>9,456,450</u>	<u>29,375,507</u>	<u>(750,449)</u>	<u>-</u>	<u>38,081,508</u>
TOTAL RESTRICTED FUNDS	<u>7,382,227</u>	<u>49,363,625</u>	<u>(25,805,805)</u>	<u>(2,194,000)</u>	<u>28,746,047</u>
TOTAL FUNDS	<u>9,934,252</u>	<u>49,975,712</u>	<u>(25,919,585)</u>	<u>(2,194,000)</u>	<u>31,796,379</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FUNDS:

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

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

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

Start Up grant (SUG) – This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Academy.

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

Teaching school - Income which is used to fund trainee teachers that are leaning in house, rather than through university.

Free School Meals (FSM) - Income received from the ESFA 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 Trust'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 ESFA to cover maintenance and purchase of the schools assets.

Other ESFA capital grants - This represents funding from the ESFA to cover maintenance and purchase of the schools assets.

OTHER INFORMATION:

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Caludon Castle School	2,315,770	3,025,302
Hill Farm Primary School	1,813,913	1,609,107
Kingsbury School	354,419	324,393
Richard Lee Primary School	192,628	-
Foxford School	566,141	-
Central	-	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	5,242,871	4,958,802
Restricted fixed asset fund	38,081,508	9,456,450
Pension reserve	(11,528,000)	(4,481,000)
	<hr/>	<hr/>
TOTAL	31,796,379	9,934,252
	<hr/>	<hr/>

Additional costs of the central team have been funded by Caludon Castle School during the year, and this has attributed to the in year deficit reported for Caludon Castle School in the year.

TOTAL COST ANALYSIS BY ACADEMY

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 2019 £	Total 2018 £
Caludon Castle School	5,316,858	1,277,291	110,925	2,993,159	9,698,233	9,671,849
Hill Farm Primary School	1,875,543	206,003	42,727	610,537	2,734,810	2,825,986
Kingsbury School	2,519,656	606,592	40,036	808,338	3,974,622	3,704,951
Richard Lee Primary School	1,292,121	220,564	9,843	367,783	1,890,311	-
Foxford School	3,733,844	866,672	51,361	1,168,283	5,820,160	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
MULTI ACADEMY TRUST	14,738,022	3,177,122	254,892	5,948,100	24,118,136	16,202,786
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

CASTLE PHOENIX TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

19. STATEMENT OF FUNDS (CONTINUED)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS					
General funds	2,194,531	539,375	(181,881)	-	2,552,025
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	2,702,778	13,770,517	(14,295,535)	-	2,177,760
Higher Needs funding	-	14,514	(14,514)	-	-
Pupil Premium (PP)	-	621,554	(621,554)	-	-
Start Up grant	-	80,000	-	-	80,000
Other ESFA grants	-	18,223	(18,223)	-	-
Other Government grants	-	231,700	(231,700)	-	-
Teaching School	137,371	146,728	(135,082)	-	149,017
Free School Meals (FSM)	-	25,510	(25,510)	-	-
Other restricted income	-	678,787	(678,787)	-	-
Pension reserve	(5,150,000)	-	(404,000)	1,073,000	(4,481,000)
	(2,309,851)	15,587,533	(16,424,905)	1,073,000	(2,074,223)
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	7,042,831	-	(114,658)	-	6,928,173
Fixed assets purchased from GAG	121,857	-	(61,055)	-	60,802
Devolved Formula Capital (DFC)	191,650	56,617	(31,467)	-	216,800
Other ESFA grants	1,627,851	656,559	(33,735)	-	2,250,675
	8,984,189	713,176	(240,915)	-	9,456,450
TOTAL RESTRICTED FUNDS	6,674,338	16,300,709	(16,665,820)	1,073,000	7,382,227
TOTAL FUNDS	8,868,869	16,840,084	(16,847,701)	1,073,000	9,934,252

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	37,995,335	37,995,335
Current assets	3,050,332	3,877,981	86,173	7,014,486
Creditors due within one year	-	(1,685,442)	-	(1,685,442)
Provisions for liabilities and charges	-	(11,528,000)	-	(11,528,000)
TOTAL	3,050,332	(9,335,461)	38,081,508	31,796,379

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	9,014,259	9,014,259
Current assets	3,078,598	2,956,666	497,836	6,533,100
Creditors due within one year	(526,573)	(549,889)	(55,645)	(1,132,107)
Provisions for liabilities and charges	-	(4,481,000)	-	(4,481,000)
TOTAL	2,552,025	(2,074,223)	9,456,450	9,934,252

CASTLE PHOENIX TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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21. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of financial activities)	24,056,127	(7,617)
ADJUSTMENTS FOR:		
Depreciation	750,449	240,915
Capital grants from DfE and other capital income	(382,694)	(713,176)
Interest receivable	(3,310)	(3,497)
Defined benefit pension scheme cost less contributions payable	843,000	275,000
Defined benefit pension scheme finance cost	208,000	129,000
Increase in debtors	(672,687)	(116,335)
Increase/(decrease) in creditors	553,335	(746,049)
Fixed assets transferred on conversion	(28,992,813)	-
Pension inherited on conversion	3,802,000	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	161,407	(941,759)

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2019 £	2018 £
Interest receivable	3,310	3,497
Purchase of tangible fixed assets	(738,712)	(440,210)
Capital grants from DfE Group	382,694	713,176
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(352,708)	276,463

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	5,675,413	5,866,714
TOTAL CASH AND CASH EQUIVALENTS	5,675,413	5,866,714

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

24. CONVERSION TO AN ACADEMY TRUST

On 01/12/2018 Richard Lee Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Castle Phoenix Trust from Coventry County Council 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 heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority 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.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS			
Leasehold land and buildings	-	8,022,630	8,022,630
CURRENT ASSETS			
Cash - representing budget surplus on LA funds	99,922	-	99,922
Defined benefit pension scheme liability	(1,495,000)	-	(1,495,000)
NET (LIABILITIES)/ASSETS	(1,395,078)	8,022,630	6,627,552

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NOTES TO THE FINANCIAL STATEMENTS
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24. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 01/10/2018 Foxford School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Castle Phoenix Trust from Coventry County Council 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 heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority 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.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS			
Leasehold land and buildings	-	20,970,183	20,970,183
CURRENT ASSETS			
Cash - representing budget surplus on LA funds	628,392	-	628,392
Defined benefit pension scheme liability	(2,307,000)	-	(2,307,000)
NET (LIABILITIES)/ASSETS	(1,678,608)	20,970,183	19,291,575

25. PENSION COMMITMENTS

The Multi Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

TEACHERS' PENSION SCHEME

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

**NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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 2016 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 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the TPS has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £1,562,920 (2018 - £1,037,325).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £992,000 (2018 - £764,000), of which employer's contributions totalled £767,000 (2018 - £627,000) and employees' contributions totalled £ 225,000 (2018 - £137,000). The agreed contribution rates for future years are 17.7% - 22.3% for employers and 5.5% - 8.5% for employees.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.90 - 3.70	2.90 - 3.80
Rate of increase for pensions in payment/inflation	2.15 - 2.30	2.30
Discount rate for scheme liabilities	1.85 - 1.90	2.65 - 2.80

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

	2019	2018
	Years	Years
<i>RETIRING TODAY</i>		
Males	20.9 - 21.4	21.9 - 22.5
Females	23.2 - 23.6	24.4 - 24.7
<i>RETIRING IN 20 YEARS</i>		
Males	22.4 - 22.6	24.1 - 24.3
Females	25.0 - 25.1	26.7

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	482,000	236,800
Discount rate -0.1%	(492,000)	(240,800)
Mortality assumption - 1 year increase	(570,000)	(230,000)
Mortality assumption - 1 year decrease	551,000	223,000
CPI rate +0.1%	(414,600)	(203,200)
CPI rate -0.1%	405,600	199,200

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25. PENSION COMMITMENTS (CONTINUED)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	4,474,000	3,096,000
Gilts	540,000	567,000
Corporate bonds	660,000	128,000
Property	671,000	454,000
Cash	223,000	172,000
Other	847,000	481,000
TOTAL MARKET VALUE OF ASSETS	7,415,000	4,898,000

The actual return on scheme assets was £368,000 (2018 - £102,000).

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

	2019 £	2018 £
Current service cost	(1,378,000)	(902,000)
Interest income	174,000	113,000
Interest cost	(382,000)	(242,000)
TOTAL	(1,586,000)	(1,031,000)

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

	2019 £	2018 £
AT 1 SEPTEMBER	9,379,000	9,200,000
Transferred on conversion	3,802,000	-
Current service cost	1,378,000	902,000
Interest cost	382,000	242,000
Employee contributions	225,000	137,000
Actuarial losses/(gains)	2,426,000	(1,090,000)
Benefits paid	(104,000)	(12,000)
Past service costs	232,000	-
AT 31 AUGUST	17,720,000	9,379,000

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of the Multi Academy Trust's share of scheme assets were as follows:

	2019 £	2018 £
AT 1 SEPTEMBER	4,898,000	4,050,000
Transferred on conversion	1,223,000	-
Interest income	175,000	113,000
Actuarial gains/(losses)	232,000	(17,000)
Employer contributions	767,000	627,000
Employee contributions	225,000	137,000
Benefits paid	(104,000)	(12,000)
Administration expenses	(1,000)	-
AT 31 AUGUST	7,415,000	4,898,000

26. OPERATING LEASE COMMITMENTS

At 31 August 2019 the Multi Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	51,507	27,360
Later than 1 year and not later than 5 years	35,149	11,030
	86,656	38,390

There is a PFI contract which expires in 2032. The Trust are committed to paying 9.5% of Caludon Castle's GAG income each year to the PFI, plus additional costs. In the year ended 31 August 2019 the Trust paid £1,269,962 (2018 - £1,227,839).

27. MEMBERS' LIABILITY

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

**NOTES TO THE FINANCIAL STATEMENTS
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28. RELATED PARTY TRANSACTIONS

Owing to the nature of the Multi 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 Multi Academy Trust's financial regulations and normal procurement procedures.

M Friday, a Trustee, is employed by the DfE as Project Director in the Free School's capital team. All transactions with the DfE have been conducted on an arms length basis. Trustees' remuneration and expenses have already been disclosed in note 13.

29. AGENCY ARRANGEMENTS

The Multi Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2019 the Multi Academy Trust received £52,478 and disbursed £61,230 from the fund. Foxford brought in a prior year unspent balance of £8,329 and there was an amount of £46,028 of unspent bursary brought forward as at 1 September 2018. An amount of £45,605 is included in other creditors relating to undistributed funds as at 31 August 2019.

30. PRIOR YEAR RECLASSIFICATION

Teaching school income was previously included in charitable activities. However, due to the amounts involved and the requirements to disclose teaching school income and expenditure separately in the financial statements, this income is now shown separately in the Statement of Financial Activities. The comparatives have also therefore been amended to show the teaching school separately. There is no adjustment to the results for the year, or funds carried forward, as a result of this reclassification. The teaching school trading account is disclosed separately in note 31.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

31. TEACHING SCHOOL TRADING ACCOUNT

	2019 £	2019 £	2018 £	2018 £
Income				
DIRECT INCOME				
Teaching school	225,433		146,728	
TOTAL INCOME		225,433		146,728
Expenditure				
Direct staff costs	46,878		45,037	
Educational supplies and courses	150,775		90,045	
TOTAL DIRECT EXPENDITURE	197,653		135,082	
TOTAL EXPENDITURE		197,653		135,082
Surplus from all sources		27,780		11,646
Teaching school balances at 1 September 2018		149,017		137,371
TEACHING SCHOOL BALANCES AT 31 AUGUST 2019		176,797		149,017

