

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2008

Company Registration No: 6336693

Charity Registration No: 1122655




Clement Keys
CHARTERED ACCOUNTANTS

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONTENTS

	Page
Reference and administrative information	1
Report of the Governors	3
Independent auditors' report	13
Consolidated statement of financial activities	15
Charitable company statement of financial activities	16
Consolidated income and expenditure account	17
Consolidated statement of total recognised gains and losses	18
Consolidated balance sheet	19
Charitable company balance sheet	20
Consolidated cash flow statement	21
Principal accounting policies	23
Notes to the financial statements	26

The following pages do not form part of the statutory financial statements:

Detailed income and expenditure account	43
---	----

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Governors (Trustees)		Appointed	Resigned
Mr P Murray	Chair & Sponsor	7 August 2007	
Ms J Hodgetts	Chair of Resources Committee	4 September 2007	
Mr I Cleland	Vice-Chair & Sponsor	4 September 2007	
	Sponsor Governor	4 September 2007	
	Vice-Chair of Resources Committee	16 October 2007	
Mr A Price	Sponsor Governor	4 September 2007	
Mr I Brough	Sponsor Governor	2 October 2007	
Councillor G S Sidhu	LA Governor	1 November 2007	8 September 2008
Mr B Seymour	Sponsor Governor	16 October 2007	
Mr D Seddon	Sponsor Governor	2 October 2007	
Councillor D Cooper	LA Governor	26 November 2007	
Mrs N Hussain	Parent Governor	15 November 2007	
Mr A Savell-Boss	Parent Governor	15 November 2007	
Mr J Hall	Parent Governor	15 November 2007	
	Member of Resources Committee	15 November 2007	
Mr S Wall	Parent Governor	15 November 2007	
Sir M Grundy	Executive Principal	7 August 2007	
	Member of Resources Committee	7 August 2007	8 December 2007
Mrs J Murray	Sponsor Governor		

Secretary

Mr I Foyle	Company Secretary	7 August 2007
------------	-------------------	---------------

Senior managers

Mrs Jane Evans	Associate Principal Shireland
Mr Mick Green	Principal George Salter
Mr Stephen Rayner	Executive Vice Principal
Mr Aron Whiles	Vice-Principal Shireland
Mr Paul Clayton	Vice-Principal Shireland
Mrs Balbir Sandhu	Vice-Principal George Salter
Mr Bob Banks	Vice-Principal George Salter
Mrs Jane Kellas	Director of Finance

Registered Office	Waterloo Road Smethwick West Midlands B66 4ND
--------------------------	--

Company Registration No: 6336693

Charity Registration No: 1122655

Auditors	Clement Keys 39/40 Calthorpe Road Edgbaston Birmingham B15 1TS
-----------------	--

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS – continued

Bankers

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

Solicitors

Stone King
16 St John's Lane
London
EC1M 4BS

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

The governors present their report together with the financial statements of the charitable company for the period from incorporation, 7 August 2007, to 31 August 2008. This report has been prepared in accordance with Part VI of the Charities Act 1993.

The financial statements have been prepared in accordance with the accounting policies on pages 23 to 25 of the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 1985 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Collegiate Academy Trust comprises two Academies; The George Salter Collegiate Academy ("GSCA") and Shireland Collegiate Academy ("SCA") constituted as one legal entity.

The Collegiate Academy Trust ("The Academy") is a company limited by guarantee with no share capital (registration no.6336693) and a registered charity (registration no. 1122655). It was incorporated on 7 August 2007 and registered as a charity on 6 February 2008. The Academy effectively commenced operations on 1 September 2007. The charitable company's memorandum and articles of association are the primary governing documents of the Academy. Members of the charitable company are nominated by either the Secretary of State for Children, Schools and Families, or by the main sponsors of the Academies, Ormiston Trust and Shireland Learning Limited ("SLL"). The articles of association require the members of the charitable company to appoint at least 14 trustees (known as the governors) to be responsible for the statutory and constitutional affairs of the charitable company and the management of both Academies. From the Governing Body of the Collegiate Academy Trust, two sub committees have been formed to act as the Local Governing Bodies for each of the Academies. The role of the Local Governing Body is to monitor the performance of its Academy and monitor the implementation of policies agreed by the Collegiate Academy Board. Each Local Governing Body is required to appoint 11 Governors.

Members' liability

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

Governors

The governors are directors of the charitable company for the purposes of the Companies Act 1985 and trustees for the purposes of charity legislation.

In this first year of operation, the governors were appointed following consultation with the local community and parents. The Collegiate Academy Governing Body constitution determines the need for; 7 sponsor governors, the Executive Principal, 2 LA governors and 4 family governors.

Each Local Governing Body is comprised of; 3 sponsor governors, the Executive Principal, 1 LA governor, 4 family governors and 2 staff representatives. The governing body membership of each Academy must have a majority of Governors from the Collegiate Board. The Trustees who were in office at 31 August 2008 and served throughout the year are those listed on page 1.

During the year under review the Trust held 4 meetings and 2 sub committee meetings to review the work of the subsidiary company. In addition, each local governing body met once.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

All Governors had the opportunity to attend 2 facilitated training events, led by Stone King, covering governors' responsibilities and Charity Law. Additional training was organised for identified governors regarding the exclusions and appeal panels. Further induction and training is planned when the Governing Body of each Academy is fully operational. Over the next year the governance model will be developed and relevant training on charity, educational, legal and financial matters will be provided

Responsibilities of the Governors

Company law requires the governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year. In preparing financial statements giving a true and fair view, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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 governors are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The governors confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Organisational structure

The Collegiate Academy is based on two campuses, Shireland Collegiate Academy ("SCA") and George Salter Collegiate Academy ("GSCA"). These two campuses retained individual DCSF School status and are both 11-19 schools. The campuses operate under a single ethos and style of operation but support two very different local communities. During this first year of operation a management structure has been introduced to co-ordinate the work of both Academies. The structure consists of four levels, the Collegiate Governors, each individual Academy Governors, the Executive Leadership Team and the Senior Management Team of each Academy. The aim of this structure is to give clear management that allows the relevant responsibilities to be devolved and encourages involvement in decision making at all levels.

The Collegiate Governors are responsible for setting all policies, approving the annual budget and monitoring the Academies. They also take major decisions about the direction of the Academies, capital expenditure and Executive Team appointments and dismissals. Each Local Governing Body then has the responsibility to ensure the direction set by the Collegiate Governors is maintained and relevant monitoring systems are in place to ensure adherence.

The Executive Leadership Team consists of the Executive Principal, the Executive Vice-Principals, the Principals and Vice-Principals of each Academy along with the Director of Finance.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

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

The Executive Leadership Team meet on a weekly basis to plan, deliver and evaluate the provision of the work of the trust. The two Senior Leadership Teams which operate within each Academy also meet weekly and ensure the work of the Executive Leadership Team is translated into the workings of each Academy, in particular organising staff, facilities and students. The Senior Management Team consists of 8 Curriculum Managers.

Subsidiary company

Shireland Collegiate Academy is the sole member of Shireland Learning Limited ("SLL"), a company incorporated in England (registration no. 6052021). In the audited accounts for the year to 31 March 2008, SLL achieved a profit of £72,093. SLL, within their accounts, has made provision for corporation tax, whilst awaiting confirmation of its treatment from HMRC. In the 5 month period to 31 August 2008 the management accounts of SLL show a loss of £187,134; this is a result of the timing of invoicing and the company is budgeted to make a profit in the full year to 31 March 2009.

SLL is the sponsor of George Salter Academy and though no direct donations have been received, SLL has provided through gifts-in-kind via free consultancy, marketing and a reduction in ICT fees a total subsidy to both Academies totalling £95,525.

Further details regarding the subsidiary company are given in note 13 to the financial statements.

Risk management

The governors of the Collegiate Academy are responsible for the management of the risks faced by each Academy. Detailed consideration of risk has been delegated to the Resources Committee. This year the governors have been assisted by an externally appointed Risk Assessment consultant and members of the Executive Leadership Team. Risks have been identified, assessed and controls put in place to minimise risk throughout the year. Specific emphasis has been placed on ensuring systems and procedures are in place and operational, with all risks clearly identified and tracked.

In addition to the main risk assessment, detailed risk assessment reports on all trading activities and on the relationship with SLL have been completed. The governors have been satisfied that risks are of a minimal nature and processes are in place to control the risk and report accordingly. This is an overall assessment of risk for the Academy Trust and its other trading activities. However in view of its size and current trading position the Board of SLL has received a risk assessment for Shireland Learning and the Board of the Academy Trust has received a risk assessment based on its relationship with SLL. The Board of SLL actively monitors the company's position and the Academy Trust Board receives reports on SLL's progress from the Chief Executive of SLL and from the Chair of the Collegiate Academy Trust Shireland Learning sub-committee.

Procedures have been implemented to ensure the risk assessment documentation is clearly linked to the development planning of each Academy.

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

- A clear governance structure;
- Detailed terms of reference for the Resources committee, with clear levels of financial delegation;
- Effective systems of internal financial control;
- A governor's induction process led by Stone King;
- Three year financial planning linked to the overall objectives of the Charity;
- Clear organisational structure with defined lines of reporting; and

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

Statement on the system of internal financial control

As governors we acknowledge that we have overall responsibility for ensuring that both Academies have effective and appropriate systems of control, financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position and enable us to ensure the financial statements comply with both the Companies and Charity Acts. We also acknowledge responsibility for safeguarding the assets of both Academies and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that;

- Each Academy is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- That proper records are maintained and financial information used within the Academy or for publication is reliable; and
- The Academy complies with relevant laws and regulations.

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees;
- regular reviews by the governors and Resources committee of reports which indicate financial performance against the forecast;
- termly reports to each Academies Governing Body on use of resources linked to development plans;
- formal agreement of all major purchase plans, capital works and expenditure programmes as per the delegation limits agreed by Trustees;
- the setting of annual targets to measure financial and other performance;
- clearly defined Best Value and Tendering guidelines;
- clear delegation of authority, and segregation of duties; and
- identification and management of risks.

In addition, the governors have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the Academy it should, as a publicly funded body, adopt these guidelines as best practice. Accordingly they have:

- set policies on internal controls which cover the following:
 - the type of risks the Academy faces;
 - the level of risks which they regard as acceptable;
 - the likelihood of the risks materialising;
 - the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise; and
 - the costs of operating particular controls relative to the benefits obtained;
- clarified the responsibility of the Executive Leadership Team to implement the policies agreed by governors and to identify and evaluate risks for their consideration;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the control system in each Academy's operations so that it becomes part of the culture of each Academy;
- developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment; and
- included procedures for reporting failings immediately to appropriate levels of management and the governors together with details of corrective action being undertaken.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

The governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the governors have appointed Mr Ian Foyle, the company secretary, as the Responsible Officer ("RO"). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The RO reported, in accordance with guidance from the DCSF, to the governors on the operation of the systems of control and on the discharge of the governor's financial responsibilities in 2007/08.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

OBJECTIVES AND ACTIVITIES

Objects, aims and objectives

The Collegiate Academy Trust's main objective is: "to advance, for the public benefit, education, by establishing, maintaining, carrying on, managing and developing, a broad curriculum and by providing facilities for recreational and other leisure time occupation for the community".

The Collegiate Academy has at its core, a mission to secure high performance and raise aspiration. The governors underpinning ethos within the Collegiate Academy is a belief in the potential of all learners and a commitment to provide the environment which unlocks that potential and develops the individual and collective self-esteem and confidence which is the pre-requisite of an enterprising culture. The governors have an absolute commitment to the Every Child Matters agenda, with both Academies fully committed to the characteristics of full-service Extended Schools.

The Collegiate Academy key aims have been to start the development of an innovative curriculum across both campuses which:

- developed key competences in an interactive context driven curriculum based on the RSA Opening Minds framework;
- started to grow an enterprise environment;
- offered a curriculum based not upon the more common model of multiple intelligences but based upon an emotional intelligence based model;
- provided just-in-time delivery to learners wherever they are in the world through the development of Shireland's Learning Gateway;
- provided a virtual extended school through taking the Gateway technology into all homes and places of learning;
- offered language as a school improvement strategy, utilising the culturally and linguistically rich communities served by the Collegiate Academy and leading in the area on the National Languages Strategy;
- raises aspirations, recognising the importance of Arts in the development of individuals;
- supports individual, economic and community development through performing arts and links to creative industries; and
- supports schools in the Borough and nationally by extending the Gateway to provide access for all learners and encouraging the development of e-learning, for example in the establishment of a "virtual school" for Looked After Children.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

Strategies and activities

The Collegiate Academy Trust has focussed throughout the year on a number of specific developments which are integral to the delivery of the objects and the associated objectives. The commitment to the Every Child Matters agenda, and to the establishment of full-service Extended Schools at both Academies, has driven much of what has been achieved this year. Both Academies have undertaken the Ormiston ECM Quality Mark and both are expected to receive the Silver status. At both Academies discussions have taken place with community partners to identify need and then about the joint delivery to satisfy the identified need. The Community Boards are now in place at both Academies and are starting to shape our Extended School provision for the future.

The processes relating to Assessment, Recording and Reporting ("ARR") have also been a major focus throughout the year. The quality of data and the use of data has been an area of considerable work. The progress which has been made on the use of our Management Information System ("MIS"), the use of the Gateway, the potential use of Business Intelligence systems and the on-going work with our staff has contributed to the developing good practice.

Equal opportunities policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. Both Academies aim to establish equal opportunity in all areas of activity including creating a working environment in which the contribution and needs of all people are fully valued. The Academies share a single Equal Opportunities policy, which was reviewed and submitted to the DCSF, as part of the process for gaining Academy status.

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

We have already commissioned a company of Architects to help us to develop campus master plans, the first of which has been produced for the Shireland campus. It is our intention to undertake the same process of consultation and deliberation at the George Salter campus. In the period of time preceding major capital investment, we are continuing to improve our facilities to ensure that we fulfil our obligations under the DDA framework.

ACHIEVEMENTS AND PERFORMANCE

Our achievements in our first year are extremely varied and extremely pleasing. Some of key achievements include:

Improvement in both Key stages in excess of the targets set:

- Key Stage 3 results show that at SCA in English, Fischer D was exceeded by 3 % (56%/59%) and at L6+ has exceeded Fischer D by 1 % (17%/18%). At GSCA we saw improvements at level 5+ in Mathematics (12%) and English (15%) and a continued steady improvement in Science: all three core subjects are now performing at Fischer D or above at both levels 5+ and 6+.
- At Key Stage 4 there has been a 6 % improvement at both Academies in A*-C including English and Mathematics. At SCA the rise is from 24% to 30%. This exceeds Fischer D (KS2-KS4) by 5% and is in line with Fischer B(KS3-KS4).

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

- The post 16 results show a significant rise in levels of achievement across the collaborative. AS results have risen by 17%, and the A2 by 11%, whilst the number of entries has risen from 393 to 733.

Improvement on Attendance:

- Attendance levels have moved to 91.4% from 90.5% at SCA and 91.2% at GSCA. The increased levels of attendance are particularly pleasing when judged against the difficulties experienced by other local schools.

Improvement on behaviour:

- The introduction of a revised behaviour management structure has seen the number of fixed term and permanent exclusions rise at SCA but reduce at GSCA.

Establishing strong community links:

- The Community Boards are already influencing the relationship with key local partners. A considerable amount of work has taken place at both Academies on the development of Family Portals which operate via the Learning Gateway. In September the Prime Minister announced the Universal Home Access Programme which will link students, schools and their families. The most deprived homes in the country will receive a device, connectivity and a context. Our Learning Gateway is one of the most advanced examples of such a "context" in the country.

Developing extended school agenda:

- The provision across the core offerings at both Academies has matured throughout the last year. The provision of support for students is outstandingly good, and there are pragmatic plans in place to develop the other key strands.

Development of the RSA Opening Minds programme and other competency based curricula at both Academies has progressed well. The model is based on a hybrid of "best of breed" Primary practice and the competency based structure which we have piloted. Students will be provided with a wireless device and will be supported both at school and at home, via our Learning Gateway.

As previously stated the Collegiate Academy Trust's main objective is: "to advance, for the public benefit, education by establishing, maintaining, carrying on, managing and developing, a broad curriculum and by providing facilities for recreational and other leisure time occupation for the community".

The most pleasing developments this year which have explicitly supported this objective are:

- Supporting the Schools Minister, Jim Knight, in the development of the framework to support the Universal Home Access programme;
- Developing Extended School Service Level agreements between key community partners and the Collegiate Academy Trust promise to deliver new forms of provision for our students and their families; and
- The discussions which have taken place with the Sandwell Leisure Trust have been inspiring to develop the Shireland campus. The representatives of the Trust deserve praise for their hard work and clear vision.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

FINANCIAL REVIEW

Financial report for the year

Most of the Collegiate Academies income is obtained from the DCSF in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DCSF during the year ended 31 August 2008 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academies also receive grants for fixed assets from the DCSF and the Local Authority. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2008, total expenditure of £17,741,610 was more than covered by recurrent grant funding from the DCSF together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension reserve) was £2,476,559. The fixed asset fund excess of income over expenditure for the year was £17,840,151. This includes £307,540 of committed capital expenditure to support the ICT infrastructure of SLL. The balance on the fixed asset fund will be used by both Academies to supplement the building and ICT of the existing sites, whilst awaiting the start of building programmes.

At 31 August 2008 the net book value of fixed assets was £18,255,777; movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In the year, Shireland Collegiate Academy invested £193,330 into the ICT infrastructure of SLL to allow the use of advance technology to be embedded across both academies.

The expenditure across both Academies allowed the leadership teams to embed the key objectives, and start the process of working collegiately.

This year has been about embedding practices and meeting the key curriculum objectives of the Collegiate Academy Trust. The key foci this year have been around the preparation of the two sites for development in the next two years and the retention of core services whilst limiting the amount of investment which will subsequently be replaced via the capital programme. One key area of tension is in relation to the ICT Managed Service and the ICT infrastructures at both Academies. Both Academies require further investment and the ELT (Executive Leadership Team) are currently finalising a submission to the Minister to facilitate the opt out of the LEP (Local Education Partnership) ICT Managed Service.

The expectation that the capital programme will commence in 2009, at least at Shireland, and ideally at both campuses has limited our investment in major capital programmes. Our capital investment at both campuses has been to support Post 16 developments, establish greater flexibility to support our Extended School Strategy, enable the use of our ICT Provision and enhance our facilities for our students' well-being. These areas are key elements of our Strategic Objectives.

Our ability to deliver our Expression of Interest is however severely hampered by the lack of major capital development at both campuses. Our prudent minor capital programme has maintained our momentum but requires a major investment in infrastructure as soon as possible if we are to compete with similar Academies serving similar communities.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

Reserves policy and financial position

Reserves policy

The Collegiate Governors have reviewed the reserve levels of the Academies in year. This review encompassed the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Collegiate Governors have agreed to work towards holding in reserves at least 5% of the General Annual Grant funding for each Academy. This equates to £762,291 based on the current year's results. This is to ensure there is provision to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Academies current level of free reserves (total funds less the amount held in fixed assets and restricted reserves) is £738,737.

Financial position

The Collegiate Academy Trust held balances at 31 August 2008 of £19,614,710, comprising; restricted fixed asset fund of £18,980,602, restricted general fund of £720,412 and (£86,304) of unrestricted funds, including a pension reserve of (£771,000). £851,624, of the restricted general fund and unrestricted funds are committed within the development process for the next accounting period.

Investment policy

The Collegiate Academy has entered into a service agreement with the LA to provide a treasury management service, this enables the cash position of both Academies to be maximised whilst ensuring the risk is minimal.

PLANS FOR FUTURE PERIODS

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

- Develop pedagogy - including New Technologies;
- Raise Standards Pre 16 – Achieve 50% 5+ A* - C including English and Mathematics at Key Stage 4 in 2009;
- Raise Standards Post 16 – Develop greater clarity of Commissioning/Quality Assurance for Post 16 provision;
- Raise Standards in KS3 - Year 7 model to be developed for September 2009;
- Improve communication and co-ordination - ELT & SLTs diaries onto Gateway Outlook, meeting structure review, joint groups etc;
- Development of Specialisms – Develop an Arts Strategy across both Academies; and
- Extended School Plan – refinement of Extended school plans from each Academy with specific reference to UHA and Reporting to Families.

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

- Achieve 50% 5+ A* - C including English and mathematics at Key Stage 4 in 2009;
- Increase standards in Key Stage 5;
- Further develop and revise the curriculum;
- Develop the New Year 7 model for implementation in September 2009; and
- Establish a collegiate strategy for the development of Arts as the main specialism.

The key focus areas for development at George Salter Collegiate Academy are as follows:

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE GOVERNORS
31 August 2008

- Develop student transition and curriculum progression Key Stage 2 to 3;
- Raise the educational attainment and achievement of all students;
- Ensure that the Academy is fully inclusive, ensuring that all additional needs are met through provision for gifted and talented students, those with SEN and through the work of the Centre of Inclusion;
- Further develop the pastoral system to ensure that all students succeed; and
- Develop a qualified, well structured and motivated workforce to meet the needs of students.

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

AUDITORS

The auditors, Clement Keys, were appointed as the first auditors during the period and will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

The Report of the Governors was approved by the governors on 15 December 2008 and signed on their behalf by:



P Murray
Chairman

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

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

We have audited the financial statements for the year ended 31 August 2008 which are set out on pages 15 to 42 and which have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As described in the Statement of Governors' Responsibilities the charitable company's governors (who are also the directors of the company for company law purposes) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Governors' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding governors' remuneration and transactions with the charity are not disclosed.

We read other information contained in the Governors' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

In forming our opinion we have considered the disclosures made in note 10 to the financial statements concerning the non-compliance with the recommendation of the Statement of Recommended Practice – "Accounting and Reporting by Charities" issued in March 2005 in respect of disclosure of remuneration paid to individual governors. We consider that the absence of this disclosure should be drawn to your attention but our opinion is not qualified in this respect.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)


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

Opinion

In our opinion:

- (a) the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Collegiate Academy Trust and the group's affairs, as at 31 August 2008, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985;
- (b) the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Children, Schools and Families in respect of the relevant financial year;
- (c) proper accounting records have been kept by The Collegiate Academy Trust throughout the financial year;
- (d) grants made by the Department for Children, Schools and Families have been applied for the purposes intended; and
- (e) the information given in the Report of the Governors is consistent with the financial statements.

39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS


CLEMENT KEYS
Chartered Accountants
Registered Auditors

15 December 2008

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2008

	Notes	Unrestricted Funds £	Restricted General Funds £	Fixed Asset Funds £	2008 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	289,273	-	18,389,406	18,678,679
Activities for generating funds	3	1,081,291	8,000	-	1,089,291
Commercial trading operations	13	987,690	-	-	987,690
Investment income	4	135,957	-	-	135,957
<i>Incoming resources from charitable activities</i>					
Funding for the Academy's educational operations	5	-	17,089,504	77,199	17,166,703
Total incoming resources		2,494,211	17,097,504	18,466,605	38,058,320
Resources expended					
<i>Cost of generating funds</i>					
Costs of generating voluntary income	6	525,950	-	30,284	556,234
Commercial trading operations	13	1,123,565	-	-	1,123,565
<i>Charitable activities</i>					
Academy's educational operations	7	79,000	14,715,675	572,793	15,367,468
Governance costs	8	-	670,966	23,377	694,343
Total resources expended		1,728,515	15,386,641	626,454	17,741,610
Net incoming resources before transfers					
		765,696	1,710,863	17,840,151	20,316,710
Gross transfers between funds		(150,000)	(990,451)	1,140,451	-
Net incoming resources before other recognised gains and losses					
		615,696	720,412	18,980,602	20,316,710
Other recognised gains and losses					
<i>Actuarial losses on defined benefit pension schemes</i>					
		(572,000)	-	-	(572,000)
<i>Adjustment to opening deficit to FRS17 basis</i>					
		(130,000)	-	-	(130,000)
Net movement in funds	17	(86,304)	720,412	18,980,602	19,614,710
Total funds brought forward		-	-	-	-
Funds carried forward at 31 August 2008		(86,304)	720,412	18,980,602	19,614,710

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2008

	Notes	Unrestricted Funds £	Restricted General Funds £	Fixed Asset Funds £	2008 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	289,273	-	18,389,406	18,678,679
Activities for generating funds	3	1,635,283	8,000	-	1,643,283
Investment income	4	135,957	-	-	135,957
<i>Incoming resources from charitable activities</i>					
Funding for the Academy's educational operations	5	-	17,089,504	77,199	17,166,703
Total incoming resources		2,060,513	17,097,504	18,466,605	37,624,622
Resources expended					
<i>Cost of generating funds</i>					
Costs of generating voluntary income	6	1,100,776	-	30,284	1,131,060
<i>Charitable activities</i>					
Academy's educational operations	7	79,000	14,715,675	572,793	15,367,468
Governance costs	8	-	670,966	23,377	694,343
Total resources expended		1,179,776	15,386,641	626,454	17,192,871
Net incoming resources before transfers					
Gross transfers between funds		880,737 (150,000)	1,710,863 (990,451)	17,840,151 1,140,451	20,431,751 -
Net incoming resources before other recognised gains and losses					
		730,737	720,412	18,980,602	20,431,751
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes		(572,000)	-	-	(572,000)
Adjustment to opening deficit to FRS17 basis		(130,000)	-	-	(130,000)
Net movement in funds	17	28,737	720,412	18,980,602	19,729,751
Total funds brought forward		-	-	-	-
Funds carried forward at 31 August 2008		28,737	720,412	18,980,602	19,729,751

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2008

	Note	2008 £
Income		
General Annual Grant (GAG)	1	15,245,828
DCSF capital grants		77,199
Other DCSF grants		672,411
Other Government grants		602,283
Other income from LA		568,982
Private sponsorship and donations	2	18,678,679
Gift Aid payment from subsidiary		-
Interest and other income receivable	4	135,957
Other income	3	1,089,291
Trading subsidiary income		987,690
Total income		<hr/> 38,058,320
Expenditure		
General Annual Grant (GAG) related expenditure	1	14,142,016
Other DCSF grant expenditure		516,020
Other grant expenditure		728,605
Depreciation		626,454
Other expenditure		604,950
Trading subsidiary expenditure		1,123,565
Total expenditure		<hr/> 17,741,610
Excess of income over expenditure		<hr/> <hr/> 20,316,710

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 August 2008

	Note	2008 £
Excess of income over expenditure		20,316,710
Actuarial losses on defined benefit pension schemes		(572,000)
Adjustment to opening deficit to FRS17 basis		(130,000)
		<hr/>
Total recognised gains for the year		19,614,710
		<hr/>
Net movement to funds		
Restricted funds	17	19,701,014
Unrestricted funds	17	(86,304)
		<hr/>
		19,614,710
		<hr/>

The income and expenditure account and statement of total recognised gains and losses are derived from the statement of financial activities on page 15 which, together with the notes to the financial statements on pages 26 to 42 provides full information on the movements during the year on all the funds of the Academy.

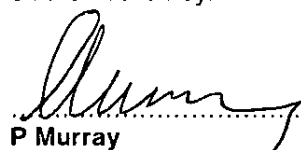
All of the Academy's activities are derived from continuing operations during the above financial period.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED BALANCE SHEET
as at 31 August 2008

		£	2008	£
	Note			
Fixed assets				
Tangible fixed assets	12	<u>18,255,777</u>		18,255,777
Current assets				
Stock	14	43,908		
Debtors	15	678,702		
Cash on short term deposit		2,390,000		
Cash at bank and in hand		<u>296,240</u>		
		3,408,850		
Creditors: amounts falling due within one year	16	<u>(1,278,917)</u>		
Net current assets				<u>2,129,933</u>
Total assets less current liabilities excluding pension liability				20,385,710
Pension Scheme Liability	22			<u>(771,000)</u>
Net assets including pension liability				<u>19,614,710</u>
Funds				
<i>Income funds</i>				
Restricted funds				
Fixed asset fund	17	18,980,602		
General fund	17	<u>720,412</u>		
				19,701,014
Unrestricted funds				
General fund	17	820,571		
Trading subsidiary	17	(135,875)		
Pension reserve	17	<u>(771,000)</u>		
				(86,304)
				<u>19,614,710</u>

The financial statements on pages 15 to 42 were approved by the Governors on 15 December 2008 and signed on their behalf by:


P Murray
Chairman

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY BALANCE SHEET
as at 31 August 2008

			2008	
	Note	£		£
Fixed assets				
Tangible fixed assets	12	<u>18,253,402</u>		18,253,402
Current assets				
Stock	14	43,908		
Debtors	15	547,282		
Cash on short term deposit		2,390,000		
Cash at bank and in hand		<u>226,968</u>		
			3,208,158	
Creditors: amounts falling due within one year	16	<u>(960,809)</u>		
Net current assets				<u>2,247,349</u>
Total assets less current liabilities excluding pension liability				20,500,751
Pension Scheme Liability	22			<u>(771,000)</u>
Net assets including pension liability				<u>19,729,751</u>
Funds				
<i>Income funds</i>				
Restricted funds				
Fixed asset fund	17	18,980,602		
General fund	17	<u>712,412</u>		
				19,693,014
Unrestricted funds				
General fund	17	807,737		
Pension reserve	17	<u>(771,000)</u>		
				36,737
				<u>19,729,751</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED CASHFLOW STATEMENT
for the year ended 31 August 2008

	£	2008	£
Operating activities			
Receipts			
<i>Recurrent grants received from the DCSF</i>			
General Annual Grant (GAG)	15,245,828		
Other grants	-		
Other receipts from the DCSF	672,411		
Other receipts from Government	728,606		
Private sponsorship	289,273		
Other receipts	<u>1,666,732</u>		
		18,602,850	
Payments			
Staff costs	10,393,580		
Other cash payments	<u>5,293,270</u>		
		(15,686,850)	
Net cash inflow from operating activities		<u>2,916,000</u>	
Returns on investments and servicing of finance			
Interest received		114,220	
Capital (expenditure)/income			
Capital grants from DCSF	20,014		
Other capital grants received from central and local government	57,185		
Capital funding received from sponsors	-		
Purchase of tangible fixed assets	(490,451)		
Receipts from sale of tangible fixed assets	<u>-</u>		
		(413,252)	
Net trading subsidiary cash inflow		<u>69,272</u>	
Increase in cash		<u><u>2,686,240</u></u>	

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CONSOLIDATED CASHFLOW STATEMENT
for the year ended 31 August 2008

	2008 £
Reconciliation of net cash flow to movement in net funds	
Increase in cash	2,686,240
Net funds at 31 August 2008	<u>2,686,240</u>

NOTE TO CASHFLOW STATEMENT

1 Analysis of changes in net funds	Cash flows £	At 31 August 2008 £
Cash in hand and at bank	296,240	296,240
Current asset investments	2,390,000	2,390,000
	<u>2,686,240</u>	<u>2,686,240</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PRINCIPAL ACCOUNTING POLICIES
31 August 2008

Format of financial statements

The standard format for the financial statements as required by the Companies Act 1985 schedule 4 part 1 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (issued in March 2005) ("Charities SORP 2005") and reflects the activities of the Academy.

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and the Charities SORP 2005 except that, as explained in note 10, individual emoluments paid to governors have not been disclosed.

Basis of consolidation

The group financial statements include those of the charitable company and the company's trading subsidiary, Shireland Learning Limited. The statutory year end of Shireland Learning Limited is 31 March 2008; consequently the results for Shireland Learning Limited have been consolidated using management accounts for the period to 31 August 2008.

The Collegiate Academy Trust is the sole member of Shireland Learning Limited. Shireland Learning Limited was incorporated on 15 January 2007 and commenced activity on 1 April 2007. On 1 September 2007, Shireland Learning Limited gifted its net assets to The Collegiate Academy Trust; consequently, these financial statements include the results of Shireland Learning Limited from 15 January 2007 to 31 August 2008.

Incoming resources

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PRINCIPAL ACCOUNTING POLICIES
31 August 2008

Resources expended

Resources expended are recognised in the period in which they are incurred and include any irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

Allocation of costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

Governance costs

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

Funding accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the governors.

Restricted funds comprise grants from the DCSF and other donors which are to be used for specific purposes as explained in Note 17.

Tangible fixed assets

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost.

Where tangible fixed assets have been acquired with specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Assets costing less than £1,000 are written off in the year of acquisition. All other assets are capitalised.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Short leasehold property	2%
Furniture and equipment	10 - 15%
Computer equipment and software	20 - 30%

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

PRINCIPAL ACCOUNTING POLICIES
31 August 2008

Investments

The Academy's holding in its wholly owned subsidiary, Shireland Learning Limited is included in the balance sheet at nil cost as the company is a company limited by guarantee. The Collegiate Academy Trust is the sole member of Shireland Learning Limited.

Stock

Unused stationery and catering stores are valued at the lower of cost or net realisable value.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

Taxation

The Academy is a registered charity and as such is exempt from income tax and corporation tax under the provisions of the Income and corporation Taxes Act 1988.

The cost of any irrecoverable VAT incurred by the Academy has been included in the statement of financial activities.

Pensions

Academy staff are members of one of three pension schemes, two of which are defined benefit schemes and one is a defined contribution scheme.

Defined Benefit Schemes

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme ("TPS"). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Children, Families and Schools. As the Academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the Academy has taken advantage of the exemption in Financial Reporting Standard ("FRS") number 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the Academy in the year.

Local Government Pension Scheme

Non teaching members of staff are offered membership of the Local Government Scheme ("LGPS"). The LGPS is a defined benefit pension scheme and is able to identify the Academy's share of assets and liabilities and the requirements of FRS 17, Retirement Benefits, have been followed.

The Academy's share of the LGPS assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

1	GENERAL ANNUAL GRANT (GAG)	2008 £
	Results and carry forward for the year	
	GAG brought forward from previous year	-
	GAG allocation for current year	<u>15,245,828</u>
	Total GAG available to spend	15,245,828
	Recurrent expenditure from GAG	(14,142,016)
	Fixed assets purchased from GAG	<u>(990,451)</u>
	GAG carried forward to next year	113,361
	Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	<u>(1,829,499)</u>
	GAG to surrender to DCSF (12% rule breached if result is positive)	<u>(1,716,138)</u>
	Use of GAG brought forward from previous year for recurrent purposes (Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12% can only be used for capital purposes)	
	Recurrent expenditure from GAG in current year	See above 14,142,016
	GAG allocation for current year	(15,245,828)
	GAG allocation for previous year x 2%	<u>-</u>
	GAG brought forward from previous year in excess of 2%, used on recurrent expenditure in current year (2% rule breached if result is positive)	<u>(1,103,812)</u>
2	VOLUNTARY INCOME GROUP AND COMPANY	2008 £
	Donations for fixed assets - LA	18,389,406
	Curriculum income	239,506
	Miscellaneous donations	<u>49,767</u>
		<u>18,678,679</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

3 ACTIVITIES FOR GENERATING FUNDS

	Group		Company	
	Unrestricted	Restricted	Unrestricted	Restricted
	2008	2008	2008	2008
	£	£	£	£
Raising Achievement Muslim Boys	-	8,000	-	8,000
Shireland Learning Limited recharged	-	-	553,992	-
FAC finance	73,360	-	73,360	-
Nursery	182,420	-	182,420	-
Payments from other schools	63,317	-	63,317	-
Catering	171,926	-	171,926	-
Hire of Hall/Rooms	62,387	-	62,387	-
Community Active Lifestyles extended	83,667	-	83,667	-
Other Activities	<u>444,214</u>	<u>-</u>	<u>444,214</u>	<u>-</u>
	<u>1,081,291</u>	<u>8,000</u>	<u>1,635,283</u>	<u>8,000</u>

4 INVESTMENT INCOME
GROUP AND COMPANY

	2008
	£
Bank interest receivable	125,957
Pension return on assets in excess of interest cost	<u>10,000</u>
	<u>135,957</u>

5 FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS
GROUP AND COMPANY

	2008
	£
<i>Department for Children, Schools and Families grants</i>	
General Annual Grant (GAG) (Note 1)	15,245,828
Other DCSF grants	672,411
Capital grants	<u>77,199</u>
	<u>15,995,438</u>
<i>Other Government grants</i>	
LA Standard Fund	602,283
<i>Other funding from LA</i>	
High cost pupils	442,659
Compromise Agreement Fund	<u>126,323</u>
	<u>1,171,265</u>
	<u>17,166,703</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

6 RESOURCES EXPENDED

GROUP	Staff costs £	Depreciation £	Other costs £	2008 Total £
Costs of generating voluntary income	391,199	30,284	134,751	556,234
Academy's educational operations				
Direct costs	8,139,227	431,315	2,684,169	11,254,711
Allocated support costs	<u>1,858,720</u>	<u>141,478</u>	<u>2,112,559</u>	<u>4,112,757</u>
	9,997,947	572,793	4,796,728	15,367,468
Governance costs including allocated support costs	<u>228,488</u>	<u>23,377</u>	<u>442,478</u>	<u>694,343</u>
	<u>10,617,634</u>	<u>626,454</u>	<u>5,373,957</u>	<u>16,618,045</u>
COMPANY	Staff costs £	Depreciation £	Other costs £	2008 Total £
Costs of generating voluntary income	945,191	30,284	155,585	1,131,060
Academy's educational operations				
Direct costs	8,139,227	431,315	2,684,169	11,254,711
Allocated support costs	<u>1,858,720</u>	<u>141,478</u>	<u>2,112,559</u>	<u>4,112,757</u>
	9,997,947	572,793	4,796,728	15,367,468
Governance costs including allocated support costs	<u>228,488</u>	<u>23,377</u>	<u>442,478</u>	<u>694,343</u>
	<u>11,117,626</u>	<u>626,454</u>	<u>5,394,791</u>	<u>17,192,871</u>

The method used for the apportionment of support costs is disclosed in the accounting policies on page 23.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

**7 CHARITABLE ACTIVITIES – ACADEMY'S EDUCATION OPERATIONS
GROUP AND COMPANY**

2008
£

Direct costs

Teaching and education support staff costs	8,139,227
Depreciation	431,315
Books, apparatus and stationery	757,072
Examination fees	231,941
Staff development	45,261
Educational consultancy	80,692
Other direct costs	<u>1,569,203</u>
	<u>11,254,711</u>

Allocated support costs

Support staff costs	1,858,720
Depreciation	141,478
Pupil recruitment and support	51,195
Maintenance of premises and equipment	426,178
Cleaning	54,057
Rent and rates	49,441
Heat and light	252,177
Insurance	79,399
Security	106,144
Transport	152,242
Catering	184,655
Technology costs	182,914
Bank interest and charges	224
Other support costs	<u>573,933</u>
	<u>4,112,757</u>

15,367,468

**8 GOVERNANCE COSTS
GROUP AND COMPANY**

2008
£

Support costs	436,354
Legal and professional fees	218,058
Audit fees	13,500
Other accountancy services	2,750
Governors' reimbursed expenses	304
Depreciation	<u>23,377</u>
	<u>694,343</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

9 STAFF COSTS

The average number of persons (including members of the senior management team) employed by the Academy during the year ended 31 August 2008, expressed as fulltime equivalents, was as follows:

	2008 £
Charitable activities	
Teachers	181
Administration and support	150
Management	<u>7</u>
	338
Governance activities	<u>3</u>
Total	<u>341</u>

Staff costs comprise:	2008 £
Wages and salaries	9,422,049
Social security costs	702,673
Other pension costs	<u>1,084,623</u>
	<u>11,209,345</u>

8 employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the year ended 31 August 2008. The total emoluments of these employees were in the following ranges:

	2008 No
£60,001 - £70,000	5
£70,001 - £80,000	2
£140,001 - £150,000	<u>1</u>

All of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2008, pension contributions for these staff amounted to £70,945.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

10 GOVERNORS' REMUNERATION AND EXPENSES

The Memorandum and Articles of Association permits the payment of remuneration and out of pocket expenses to governors/trustees provided that:

- The remuneration or other sums paid to the trustee do not exceed an amount that is reasonable in all the circumstances.
- The trustee is absent from the part of any meeting at which there is discussion of;
 - his or her employment or remuneration, or any matter concerning the contract; or
 - his or her performance in the employment, or his or her performance of the contract; or
 - any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under the clauses of the Memorandum and Article of Association; or
 - any other matter relating to a payment or the conferring of any benefit permitted under the clauses of the Memorandum and Article of Association.
- The trustee does not vote on any such matter and is not to be counts when calculating whether a quorum of trustees is present at the meeting.
- The other trustees are satisfied that it is in the best interests of the charitable company to employ or contract with that trustee rather than with someone who is not a trustee. In reaching that decision the trustees must balance the advantage of employing a trustee against the disadvantages of doing so (especially the loss of the trustee's services as a result of dealing with the trustee's conflict of interest).
- The reason for their decision is recorded by the trustees in the minute book.
- A majority of the trustees in office have received no such payments.

The governors of the Academy did not receive any remuneration in respect of their services as a governor during the year.

The Executive Principal received remuneration during the year in respect of his role as Executive Principal of the Academy. This salary is covered by the declaration in note 9. Retirement benefits were also accruing to the Executive Principal in respect of a multi-employer defined benefit pension scheme.

Paragraph 230 of Charities SORP 2005 requires that details of remuneration paid to governors be disclosed on an individual basis. This disclosure has not been included as the governors believe that the information is of a sensitive nature.

Interests in transactions

During the year Mr Brian Seymour received payments totalling £21,763 for health and safety consultancy and re-imbursed expenses of £304.

Ormiston Education Ltd received £100,580 for a variety of consultancy and governance services.

11 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 for any one claim and the premium for the year ended 31 August 2008 was £4,147.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

12 TANGIBLE FIXED ASSETS

GROUP	Leasehold land and buildings £	Furniture and equipment £	Computer software £	Total £
Cost				
Donated from LA	17,646,694	242,505	500,207	18,389,406
Additions	-	47,096	451,498	498,536
At 31 August 2008	-	289,603	951,705	18,888,002
Depreciation				
At 1 September 2007	-	-	-	-
Charge in the year	318,690	58,167	255,368	632,225
Disposals	-	-	-	-
At 31 August 2008	318,690	58,167	255,368	632,225
Net book value				
At 31 August 2008	17,328,004	231,436	696,337	18,255,777
At 31 August 2007	-	-	-	-

Included within the net book value of Leasehold Land and Buildings is land not depreciated of £1,712,275.

As disclosed above, certain assets were donated to the charitable company by the Local Authority on 1 September 2007. These leasehold land and buildings have been donated initially on an 8 year lease, increasing to a 100 year lease on the satisfactory completion of certain milestones. The value of buildings donated by the LA is based on the values held within the books of Sandwell MBC prior to their transfer. Sandwell MBC adopted a policy of revaluation on a 5 year rolling basis. The latest full valuation was undertaken in the financial year to 31 March 2007 and the donated assets are included at their depreciated revalued amount as at 1 September 2007. It is the intention of the governors to retain this valuation in the financial statements and not to adopt a policy of ongoing revaluation.

The net book value at 31 August 2008 represents fixed assets used for:

	Leasehold land and buildings £	Furniture and equipment £	Computer software £	Total £
Educational provision	12,822,724	191,688	551,204	13,565,616
Support services	2,079,360	32,450	128,629	2,240,439
Governance	1,039,680	4,755	6,862	1,051,297
Generating funds	1,386,240	2,543	9,462	1,398,425
	17,328,004	231,436	696,337	18,255,777

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

12 TANGIBLE FIXED ASSETS – continued

COMPANY	Leasehold land and buildings £	Furniture and equipment £	Computer software £	Total £
Cost				
Donated from LA	17,646,694	242,505	500,207	18,389,406
Additions	-	38,953	451,498	490,451
Disposals	-	-	-	-
At 31 August 2008	17,646,694	281,458	951,705	18,879,857
Depreciation				
At 1 September 2007	-	-	-	-
Charge in the year	318,690	52,397	255,368	626,455
Disposals	-	-	-	-
At 31 August 2008	318,690	52,397	255,368	626,455
Net book value				
At 31 August 2008	17,328,004	229,061	696,337	18,253,402
At 31 August 2007	-	-	-	-

Included within the net book value of Leasehold Land and Buildings is land not depreciated of £1,712,275.

As disclosed above, certain assets were donated to the charitable company by the Local Authority on 1 September 2007. These leasehold land and buildings have been donated initially on an 8 year lease, increasing to a 100 year lease on the satisfactory completion of certain milestones. The value of buildings donated by the LA is based on the values held within the books of Sandwell MBC prior to their transfer. Sandwell MBC adopted a policy of revaluation on a 5 year rolling basis. The latest full valuation was undertaken in the financial year to 31 March 2007 and the donated assets are included at their depreciated revalued amount as at 1 September 2007. It is the intention of the governors to retain this valuation in the financial statements and not to adopt a policy of ongoing revaluation.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

12 TANGIBLE FIXED ASSETS – continued

Source of funding for assets acquired (cumulative to date)	2008 £
DCSF capital grants	20,014
General Annual Grant	413,252
Other government grants	57,185
Private sector capital sponsorship – donated from LA	18,389,406
Capital funds advanced by DCSF in lieu of sponsorship	-
General purpose fund (grant income)	-
Other funds (Trading subsidiary)	<u>8,145</u>
Cost of fixed assets at 31 August 2008	18,888,002
Less: accumulated depreciation	<u>632,225</u>
Net book value of fixed assets at 31 August 2008	<u>18,255,777</u>

13 INVESTMENTS

**2008
£**

Investment in wholly owned subsidiary at cost

-

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

A summary of the results and the balance sheet position of SLL for the period 15 January 2007 to 31 March 2008 (the most recently available audited accounts) is shown below:

Profit and loss account

	Period ended 31 March 2008 Audited £	5 month period ended 31 August 2008 Unaudited £	Total £
Turnover	763,628	244,896	1,008,524
Cost of sales	(615,662)	(334,942)	(950,604)
Administrative expenses	(58,073)	(97,088)	(155,161)
Interest receivable	-	-	-
Profit/(loss) on ordinary activities before Gift Aid payment	89,893	(187,134)	(97,421)
Gift Aid payment to Academy	-	-	-
Profit/(loss) on ordinary activities after Gift Aid payment	89,893	(187,134)	(97,421)
Tax on profit/(loss) on ordinary activities	<u>(17,800)</u>	-	<u>(17,800)</u>
Retained profits carried forward 31 March 2008	<u>72,093</u>	<u>(187,134)</u>	<u>(115,041)</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

13	INVESTMENTS – continued	31 August 2008 £	
	Balance sheet		
	Fixed assets	2,375	
	Current assets	361,286	
	Current liabilities	<u>(48,702)</u>	
		(115,041)	
	Represented by		
	Profit and loss account	<u>(115,041)</u>	
	Members' funds	<u>(115,041)</u>	
	The audit report for the period ended 31 March 2008 was unqualified.		
14	STOCK	2008 Group £	2008 Company £
	ICT consumables	15,851	15,851
	Stationery	22,142	22,142
	Catering	<u>5,915</u>	<u>5,915</u>
		43,908	43,908
15	DEBTORS	2008 Group £	2008 Company £
	Trade debtors	593,755	335,700
	Prepayments	60,086	50,988
	Sundry debtors	24,861	-
	Amount due from subsidiary undertaking	<u>-</u>	<u>160,594</u>
		678,702	547,282

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

16	CREDITORS: Amounts falling due within one year	2008 Group £	2008 Company £
	Trade creditors	471,228	253,324
	Taxation and social security	276,234	276,234
	Other creditors	458,139	140,031
	Accruals and deferred income	73,316	264,386
	Amount due to subsidiary undertaking	-	20,834
		<u>1,278,917</u>	<u>960,809</u>
17	RESTRICTED FUNDS		

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

	Incoming resources £	Resources expended £	Gains/(losses) and transfers £	Balance at 31 August 2008 £
Restricted general funds				
General Annual Grant (GAG)	15,245,828	14,142,016	(990,451)	113,361
DCSF other grants	672,411	516,019	-	156,392
LA grants				
- Standard Fund	602,284	602,284	-	-
- Compromise agreements	126,322	126,322	-	-
- High Cost pupils	442,659	-	-	442,659
Raising Achievement Muslim Boys	8,000	-	-	8,000
	<u>17,097,504</u>	<u>15,386,641</u>	<u>(990,451)</u>	<u>720,412</u>
Restricted fixed asset funds				
DCSF capital grants	77,199	-	-	77,199
Capital expenditure from GAG	-	148,608	990,451	841,843
Private sector capital sponsorship	18,389,406	477,846	150,000	18,061,560
	<u>18,466,605</u>	<u>626,454</u>	<u>1,140,451</u>	<u>18,980,602</u>
Unrestricted general funds				
General funds	1,496,521	525,950	(150,000)	820,571
Trading subsidiary	987,690	1,123,565	-	(135,875)
Pension reserve	10,000	79,000	(702,000)	(771,000)
	<u>2,494,211</u>	<u>1,728,515</u>	<u>(852,000)</u>	<u>(86,304)</u>
Total funds	<u><u>38,058,320</u></u>	<u><u>17,741,610</u></u>	<u><u>(702,000)</u></u>	<u><u>19,614,710</u></u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

17 RESTRICTED FUNDS - continued

- (i) General Annual Grant must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG. Of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes;
- (ii) The DCSF Grant included £225,491 for start up costs that were spent specifically on Navigant project fees as directed by the DCSF. A further £10,878 was also claimed to cover costs agreed with the DCSF regarding additional in year set up costs. The DCSF paid a further £446,049 restricted standard funding;
- (iii) The Local Authority (LA) Grant Standard Fund covered the period September 2007 to March 2008;
- (iv) The gross transfer from the restricted general fund to the restricted fixed asset fund of £990,451 represents the total capital expenditure from the General Annual Grant (GAG) during the year;
- (v) Restricted fixed asset were funded by government grants or sponsors;
- (vi) High Cost Pupils funding is to support identified students with additional educational needs;
- (vii) Raising Achievement Muslim boys is to support the engagement of Muslim boys; and
- (viii) The compromise agreement funding was support given for severance payments to staff.

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2008 are represented by:

	Unrestricted funds £	Restricted General funds £	Restricted fixed asset funds £	Trading subsidiary reserves £	Total £
Tangible fixed assets	-	-	18,253,402	2,375	18,255,777
Investments	-	-	-	-	-
Current assets	1,552,097	789,101	727,200	340,452	3,408,850
Current liabilities	(731,526)	(68,689)	-	(478,702)	(1,278,917)
Pension scheme liability	(771,000)	-	-	-	(771,000)
	<u>49,571</u>	<u>720,412</u>	<u>18,980,602</u>	<u>(135,875)</u>	<u>19,614,710</u>

19 CAPITAL COMMITMENTS

	2008 £
Contracted for, but not provided in the financial statements	-
Authorised by governors, but not yet contracted	307,540
	<u>307,540</u>

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

20 LEASE COMMITMENTS

At 31 August 2008 the Academy had annual commitments under non-cancellable operating leases as follows:

	2008
Operating leases which expire:	£
Within one year	32,308
Within two to five years	49,428
Over five years	1,469

21 CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets were met by payments by the Secretary of State under the Funding Agreement.

22 PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes; the Teachers' Pension Scheme England and Wales ("TPS") for academic and related staff and the West Midlands Pension Fund ("WMPF") for non-teaching staff, which is managed by Sandwell MBC.

The total pension cost to the Academy during the year ended 31 August 2008 was £1,084,623 of which £836,337 relates to the TPS and £248,286 relates to WMPF.

Teachers Pension Scheme (TPS)

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

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

22 PENSION COMMITMENTS

Teachers Pension Scheme (TPS) – continued

The TPS is a statutory, contributory, final salary scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local education authorities and also to teachers in many independent and voluntary-aided schools and establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

Although teachers are employed by LAs and various other bodies, their retirement and other superannuation benefits, including annual increases payable under the Pensions (Increase) Acts, are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the TPS, which is an unfunded scheme, teachers' contributions, on a 'pay-as-you-go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pension Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pension increases). With effect from 1 April 2001, the Account will be credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Not less than every five years, the Government Actuary ("GA"), using normal actuarial principles, conducts an actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

Contributions are assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable by employers if, as a result of the actuarial investigation, it is found that the accumulated liabilities of the Account for benefits to past and present teachers are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS was for the period 1 April 2001 to 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from the 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR has been assessed at 19.75% and the supplementary contribution has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years); a total contribution rate of 20.5%. This translates to an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost sharing agreement also been introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

22 PENSION COMMITMENTS

A copy of the GA's 2004 valuation report can be found on the TeacherNet website at:
www.teachernet.gov.uk/pensions

The pension cost charged in the financial statements for this scheme for the year ended 31 August 2008 was £836,337 which were the contributions due for the year.

West Midlands Pension Fund

The Academy is one of several employing bodies included with the West Midlands Pension Fund ("WMPF").

The WMPF is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The total contribution made for the year ended 31 August 2008 was £346,000 of which employer's contributions totalled £230,000 and employees' contributions totalled £116,000. The agreed contribution rates for the year ended 31 August 2008 were 12% for employers and depending on salary 5.5% - 7.5% for employees.

The following information is based upon a valuation of the fund at by a qualified independent actuary. The next actuarial valuation of the fund is due as at 31 March 2010.

The major assumptions used by the actuary were:

	At 31 August 2008 %	At 1 September 2007 %
Rate of increase in salaries	5.65	5.05
Rate of increase in pensions	3.90	3.30
Discount rate for liabilities	5.65	5.80

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

	Long term rate of return expected at 31 August 2008 %	Value at 31 August 2008 £	Long term rate of return expected at 1 September 2007 %	Value at 1 September 2007 £
Equities	7.50	1,220,000	7.50	1,069,000
Government Bonds	4.60	178,000	4.80	118,000
Other Bonds	5.65	100,000	4.80	63,000
Property	6.50	152,000	6.50	115,000
Other	5.00	<u>80,000</u>	5.75	<u>36,000</u>
Total fair value of assets		1,730,000		1,401,000
Present value of scheme liabilities		<u>(2,501,000)</u>		<u>(1,531,000)</u>
Net pension liability		<u>(771,000)</u>		<u>(130,000)</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

22 PENSION COMMITMENTS

West Midlands Pension Fund – continued

Analysis of amount chargeable to statement of financial activities	2008
	£
Employer service cost (net of employee contributions)	309,000
Past service cost	<u>-</u>
Total opening charge	<u>309,000</u>
 Analysis of pension finance income/(costs)	 2008
	£
Expected return on employer's share of scheme assets	111,000
Interest on pension liabilities	<u>(101,000)</u>
Pension finance income/(costs)	<u>10,000</u>
 Amount recognised in the statement of total recognised gains/(losses) (STRGL)	 2008
Actual return less expected return on pension scheme assets	(128,000)
Experience gains and losses arising on the scheme liabilities	-
Changes in financial and demographic assumptions underlying the present value of the scheme liabilities	<u>(444,000)</u>
Actuarial (loss)/gain recognised in STRGL	<u>(572,000)</u>
	 2008
	£
Deficit in the Scheme at 1 September 2007	(130,000)
Movement in year:	
Current service cost	(309,000)
Employer contributions	230,000
Past service costs	-
Pension finance income/(costs)	10,000
Actuarial (loss)/gain	<u>(572,000)</u>
Deficit in the scheme at 31 August 2008	<u>(771,000)</u>

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
31 August 2008

22 PENSION COMMITMENTS

West Midlands Pension Fund – continued

History of experience of gains and losses	2008 %	2008 £000
Difference between expected and actual return on scheme assets (percentage of scheme assets)	(7.4)	(128)
Experience gains and losses on scheme liabilities	-	-
Total amount recognised in statement of total recognised gains and losses (percentage of scheme liabilities)	(22.9)	(572)

23 MEMBERS' LIABILITY

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

As at 31 August 2008 there were 3 members of the charitable company.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2008

	£	2008	£
INCOME			
GENERAL ANNUAL GRANT	15,245,828		
DCSF CAPITAL GRANTS	20,014		
LA CAPITAL	57,185		
OTHER DCSF GRANTS	<u>672,411</u>		
		15,995,438	
OTHER GOVERNMENT GRANTS			
Standard fund	602,283		
High Cost pupils	442,659		
Raising Achievement Muslim Boys	8,000		
Compromise agreements	<u>126,323</u>		
		1,179,265	
PRIVATE SECTOR SPONSORSHIP			
Curriculum income	239,506		
Other donations	49,767		
Fixed Asset funding	<u>18,389,406</u>		
		18,678,679	
OTHER INCOME			
Interest	125,957		
Hire of halls/rooms	62,387		
FAC finance	73,360		
Nursery	182,420		
PMFL income	56,732		
Payments from other schools	63,317		
Catering	171,926		
CLC income	48,528		
Payments from primaries	45,174		
Shire learning payments	553,992		
Community Active Lifestyles income	20,921		
Community Active Lifestyles extended	83,667		
Technicians	64,665		
Consultancy income	15,992		
Computers in the Community	22,585		
Aim Higher	26,757		
Trail Blazer	7,000		
Teacher Training Agency	46,960		
Post 16 Laptop Inc.	5,100		
Community language	40,054		
Community funding ACES	15,275		
Uniform income – misc sales	4,593		
Exam fees	1,117		
Income supply teacher	9,393		
Income contribution to visits	4,890		
Miscellaneous	<u>8,478</u>		
		<u>1,761,240</u>	
TOTAL INCOME		37,614,622	

This page does not form part of the statutory financial statements.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2008

	2008	
	£	£
EXPENDITURE		
Staff costs		
Teaching	6,429,932	
Educational support	1,168,860	
Other staff		
Premises	437,616	
Admin and clerical	601,616	
Catering staff	234,476	
Other	<u>223,670</u>	
Total GAG staff costs		9,096,170
Maintenance of premises		
Building maintenance	389,711	
Grounds maintenance	<u>36,646</u>	
		426,357
Other occupancy costs		
Cleaning	50,728	
Water	17,385	
Fuel	252,177	
Rates	32,056	
Insurance	79,399	
Security	106,144	
Other	<u>18,287</u>	
		556,176
Educational supplies and services		
Books	812,412	
Educational equipment	327,882	
Stationery and materials	56,713	
Transport	152,242	
Examination fees	231,941	
Fees for external advice	522,376	
Other	<u>164,506</u>	
		2,268,072
Other supplies and services		
Catering	184,655	
Legal and professional fees	30,550	
Auditors' remuneration	16,250	
Bank interest and charges	-	
Pupil recruitment	-	
Pupil support	<u>247,405</u>	
		478,860
Balance carried forward		<u>12,825,635</u>

This page does not form part of the statutory financial statements.

THE COLLEGIATE ACADEMY TRUST
(Company limited by guarantee)

CHARITABLE COMPANY
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2008

	£	2008	£
EXPENDITURE			
General Annual Grant Expenditure			
- continued			
Balance brought forward			12,825,635
Furniture and Equipment			
Repairs and maintenance			9,978
Technology costs (not capitalised)			
Hardware	3,022		
Software	8,543		
Consumables	<u>171,799</u>		183,364
Staff development			45,431
Other GAG expenditure			<u>1,077,608</u>
TOTAL GAG EXPENDITURE			14,142,016
OTHER DCSF GRANT			
RELATED EXPENDITURE			
Staff costs	236,640		
Educational supplies	<u>279,381</u>		516,021
OTHER GOVERNMENT GRANT			
RELATED EXPENDITURE			
Staff costs	453,283		
Educational supplies	<u>275,322</u>		728,605
OTHER EXPENDITURE			
Staff costs	945,191		
Other occupancy costs	<u>155,585</u>		1,100,776
DEPRECIATION			626,454
TOTAL EXPENDITURE			<u><u>17,113,872</u></u>

This page does not form part of the statutory financial statements.