

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details of the trust, its trustees and advisers	1
Trustees' report	2 - 10
Governance statement	11 - 14
Statement on regularity, propriety and compliance	15
Trustees' responsibilities statement	16
Independent auditors' report	17 - 18
Independent reporting accountant's assurance report on regularity	19 - 20
Statement of financial activities	21 - 22
Balance sheet	23
Cash flow statement	24
Notes to the financial statements	25 - 54

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members Rt Rev M O'Toole, Bishop of Plymouth
Rt Rev H C Budd, Bishop Emeritus of Plymouth
Plymouth Roman Catholic Diocesan Trustees Registered (PRCDTR)
Fr G W Wilberforce, Episcopal Vicar for Formation
Mr D Wells, Director of Religious Education

Trustees Sir B G Pearse, Chair of Trustees^{1,2}
Mr J R Deacon, Trustee¹
Mr B Dagnall, Trustee²
Fr W M Muir, Trustee
Mrs H Brown, Trustee
Mr J C Mannix, Accounting Officer^{1,2}
Mr N J Pitt, Trustee¹
Mrs F B Guppy, Trustee
Mr E Howard, Trustee
Mr P R Cotter, Trustee
Mr G R Johnson, Trustee
Mr D A Anderson, Trustee²
Mrs J A Scarborough, Trustee
Mrs H M Brown, Trustee
Ms S Barreto, Trustee

¹ Finance Committee

² Audit & Risk Committee

**Company registered
number** 08438686

**Principal and registered
office** St Boniface House
Ashburton
Newton Abbot
Devon
TQ13 7JL

Accounting officer J C Mannix

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Solicitors Tozers LLP
Broadwalk House
Southernhay West
Exeter
Devon
EX1 1UA

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 33 primary and 2 secondary academies across the counties of Cornwall, Devon and Dorset. Its academies have a combined pupil capacity of 8,775 and had a roll of 7,839 in the school census on 15 January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The 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 Trust.

The Trustees of Plymouth CAST 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 page 1.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the 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 Trustees of the Trust. The limit of this indemnity is £2,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Plymouth CAST has the following Trustees, known as 'Directors', as set out in its Articles of Association:

- 8 Foundation Directors who are appointed by the Bishop of Plymouth
- 3 Academy Directors who are appointed by the Directors
- 1 Chief Executive Officer
- 3 Co-opted Directors who are appointed by the other (non-co-opted) Directors

Other than the Chief Executive Officer, Trustees are appointed for 4 years and may be reappointed at the end of their term.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Policies and Procedures adopted for the Induction and Training of Trustees

The Trustees attended a formal training day shortly after their appointment at which they were introduced to the details of the Trust's schools, the role of Trustees under Charities Law, the key constitutional documents of the Trust and the fundamental organisational philosophy and structure.

Board meetings are conducted always with a mind to the on-going education of the Board, individually and corporately, and Trustees have access to all Trust documents, briefing papers and performance information relating to the Trust's schools and its central operations.

The CAST principle of transparency is, in part, to ensure that all those who are part of the Trust can be aware of how the Trust operates, rather than restricting such information to current Board members. With the additional structures of Area Councils and Area Forums, there are many opportunities for people to understand how the Board operates and therefore reduce barriers to future potential Trustees.

All Trustees other than the Chairman have other roles within CAST schools and therefore are exposed to the Trust's operations and issues at both Board level and local level. The Chairman and Chief Executive Officer meet regularly to keep fully informed about developments within, and external to, the Trust.

Organisational Structure

Plymouth CAST has established a unified management structure to enable its efficient running. The structure consists of 3 levels: the Board of Trustees and its Committees; the Executive body which includes the Chief Executive Officer, Area Advisers and other Officers; and the Local Governing Body at each academy.

The Trustees meet at least six times a year, and they are responsible for making major decisions about the strategic direction of the Trust ensuring that its aims are met and its ethos maintained. They receive regular reports from the Chief Executive and Key Officers relating to standards, personnel and finance. The role of the Board of Trustees is not to manage the individual schools, each of which has its own Local Governing Body, but to ensure that effective systems are in place for on-going monitoring at school level, Area Council level and Board level.

The devolved autonomy of Local Governing Bodies is detailed in the Trust's Scheme of Delegation, which also makes provision for the suspension of any or all devolved powers if it is clear that a school becomes vulnerable in any key aspect of its work, especially safeguarding, educational standards, staff well-being and financial stability.

Where all or some of a Local Governing Body's powers are suspended, the Board constitutes an Enhanced Monitoring Group (EMG) to work closely with the school to ensure that the nature of its vulnerability is fully understood, any interventions are appropriate to the nature of its problems, resources can be secured to ensure required interventions occur in a timely manner and the Board can have confidence that any remedial action is effective. The conduct of any EMG is determined by the 'Intervention Protocol', agreed as part of the Scheme of Delegation.

The Trust, as part of the mission of the Catholic Church, implicitly and explicitly recognises the fundamental principles of Catholic Social Teaching (the dignity of the individual, subsidiarity, solidarity and the common good). Whilst these principles inform the Trust's aspirations and strategy, they are also implicit in the organisational concept and structures. In the latter regard, 'subsidiarity' determines that within the Trust, decisions should be taken as near as possible to their point of impact. Hence the default position within CAST of high levels of autonomy for Local Governing Bodies. However, applied to organisational structures, 'solidarity' requires that where local decisions have a wider impact, they should be elevated to the level of the Trust that has the relevant strategic or operational perspective. Thus, if a decision made by a single school could have clear ramifications for other CAST schools, subsidiarity dictates that the decision should be taken collaboratively by all affected schools e.g. at Area Council level. In the same way, because the Trust employs all the staff at all the schools, terms and conditions cannot be determined in isolation at school level, even though school staff are appointed and managed by their own Local Governing Body and management team.

In summary, while the Trust has what might be considered as three tiers of authority (school, Area Council,

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Board of Trustees) it is the principles of the organisation (reflected in its documentation) that determine where authority for any particular decision will rest and supposed 'higher' levels cannot simply dictate to 'lower'.

The Chief Executive Officer is the Accounting Officer.

Connected Organisations, including Related Party Relationships

Dart Abbey Enterprises Limited is a connected organisation as Mr Jonathan Deacon (a Director of Dart Abbey Enterprises Limited) is also a Trustee of Plymouth CAST.

Plymouth Roman Catholic Diocesan Trustees Registered (PRCDTR) is a connected party as it is a member of Plymouth CAST. Mr Anthony Akinpelu (Chief Financial Officer) is also the Oeconomus and Secretary to the Trustees of PRCDTR.

The transactions with both Dart Abbey Enterprises Limited and PRCDTR are undertaken at arm's length, were purchased at cost (without profit) and have been disclosed in the financial statements.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object of the Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic schools which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Bishop of Plymouth. In relation to any Joint Church school, they shall themselves in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to religious education and daily acts of worship and having regard to the advice of the Diocesan Board of Education. Also, their aim is to promote, for the benefit of the inhabitants of the areas served by the schools, the provision of facilities for recreation or other leisuretime occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of the life of these inhabitants.

In accordance with this object, Plymouth CAST's aim is to become a network of schools:

- where every parent would want their child admitted;
- where every school sector employee would want to work;
- where children of all abilities and backgrounds flourish;
- where all look to for good practice and innovation;
- where vulnerable educational institutions look for support;
- where 'the gospel is preached at all times; using words if necessary' (after St Francis).

Objectives, Strategies and Activities

Detailed development plans are held by each of CAST's schools and, while the Trust as a whole is recently formed, the on-going strategic improvement of CAST's individual schools has been carried forward by their Local Governing Bodies - consistent with their aspirations prior to the formation of the full multi academy trust.

For the Trust as a whole, the on-going development of infrastructure for finance (including payroll and pensions) support has remained a key objective. Given that CAST's purpose is to provide excellent Catholic schools, improving educational provision has been the core objective. We have continued to bring a special focus to our sponsored schools, which are all improving as required. St Nicholas, our first sponsored school, was declared 'Good' by Ofsted in February and removed from Enhanced Monitoring by the Board.

Enhanced Monitoring arrangements are in place at 11 of our schools to bring additional expertise and focus to school improvement. These Enhanced Monitoring Groups have allocated additional central resources to allow schools to implement intervention strategies that they could not have afforded through their devolved budget.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Area Advisers have supported the schools in developing further opportunities for school to school support, both via secondments and shared training events. In addition, they have arranged for external reviews of school standards where there are recognised vulnerabilities and supported those schools in developing appropriate responses. A range of Area Council events have run successfully this year including middle-management training, subject leadership and SEN support.

The network has also continued to build relationships with other schools, organisations and networks including Edison Learning, The Learning Institute and Trenance Learning Academy Trust. In addition, secondments of staff from non-CAST schools have been used to secure school support for specific short and medium-term interventions.

We have implemented termly training events for school clerks to help improve local governance and also communication with local governing bodies.

In order to develop a secure framework of school policies, especially regarding employment issues, we have been working closely with the unions representing both teaching and support staff in our schools. This year we have formalised the arrangement by the formation of a Joint Consultative Committee (JCC) that meets twice per term and a Policies sub-group to work on drafting policies for agreement at JCC.

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 Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

As this has been the first full year of CAST's operation, it has provided us with a base level for future development. End of year pupil achievement, attainment and progress measures showed a mixed picture with both strengths and weaknesses. Our headline data for 2014-15 for pupil performance was close to, but slightly below, the national scores as follows:

	Plymouth CAST	National
Percentage achieving L4+ in Reading, Writing & Maths	76%	80%
Percentage passing Phonics screening test at Yr 1	76%	77%
Percentage making expected or greater progress at KS2 Reading	90%	91%
Percentage making expected or greater progress at KS2 Writing	93%	94%
Percentage making expected or greater progress at KS2 Maths	86%	90%

A number of CAST schools are known to be vulnerable and became part of CAST as sponsored academies. Thus, these averaged results hide some notable school successes in all three CAST regions. Achievements include:

West Area

St Mary's Falmouth: 100% in Phonics, 100% secured a L4 and above in Reading, Writing and Maths and also 100% of pupils made expected progress in Reading, Writing and Maths.

64% of reception pupils achieved a good level of development and 78% of pupils passed the phonics screening test at Year 1 (against the Local Authority average of 63% for reception and a national average of 77% for Year 1 phonics)

At Key Stage 2 78% of our pupils secured Level 4 and above in reading, writing and maths combined.

Our two secondary schools achieved differing results, with Notre Dame achieving 55% A*C including English and

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Maths, comparing favourably with national average and St Boniface's College achieving 38%.

There were positive improvements in KS5 results with an average of 98% pass rate at A. Level across both schools.

Central Area

St John the Baptist Dartmouth : 100% secured L4 and above in Reading, Writing and Maths and 100% also made at least expected progress in Reading, Writing and Maths

St Joseph's Exmouth: 100% secured L4 and above in Reading and Maths and 96% in Writing; 100% made at least expected progress in Reading and Maths

Our Lady and St Patricks, Teignmouth: 97% secured L4 and above in Reading and Maths and 100% in Writing, 100% made at least expected progress in writing and maths

Our Lady's Barnstaple: 95% secured L4 and above in Reading, Writing and Maths and 100% made at least expected progress in Writing and Maths

73% of pupils achieved a good level of development in EYFS as compared to 61% nationally

East Area

St Catherines, Bridport: 100% secured L4 and above in Reading, Writing and Maths and 95% of pupils made expected progress in Reading and 100% in Writing and Maths.

St Joseph's, Poole: 89% secured L4 and above in Reading, Writing and Maths and 100% of pupils made expected progress in Reading, Writing and Maths

77% of pupils passed the phonics screening test at Year 1 (in line with national)

Network Developments

In order to improve standards across the trust, a large number of network collaborations and initiatives were undertaken in the course of the year. These included:

- Joint training sessions in a number of schools on areas such as Assessment, Read Write Inc, Prevent Strategy
- School to School support in the form of secondments, teaching, learning coaching and writing moderation
- Development of a CAST teaching and learning programme
- Maths, English, SEN and assessment hubs in operation as well as Maths and English Leaders Development Days
- Central Area Head teacher coaching sessions
- East Area Inset day for all schools working in partnership with the Nurture Group Network and an East Area Heads conference
- Governor Training
- Teachmeets
- SENCo/Inclusion network
- EYFS network in conjunction with Early Years Excellence
- School to school support and joint development planning and CPD.
- Middle Leader Coaching Programme and successful Teaching and Learning Programme
- Early Years network and joint moderation sessions

Feedback from these events was very positive and we believe on-going collaboration and school-to-school support will see improved results across CAST schools in the coming year.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Key Performance Indicators

A key financial performance indicator for the Trust is the level of free reserves held at the Balance Sheet date as a percentage of GAG income for the year. For the year under review, £4,204,068 was carried forward representing 13.2% of annual GAG income.

Another key financial performance indicator is staffing costs as a percentage of total revenue income, which was maintained during the year.

KPI	Plymouth CAST	Kreston Benchmark (2015)
Pupil to teacher ratio	23.83	19.28
Teaching to non-teaching staff ratio	0.89	1.18
Total income per pupil	£5,939	£5,657
Total GAG per pupil	£4,075	£4,347
Ratio of GAG to total income	68.6%	77.6%
Staff cost per pupil	£3,926	£3,814
Educational cost per pupil	£208	£324
Premises cost per pupil	£259	£111
LGPS deficit per pupil	£1,278	£1,296
LGPS deficit per non-teaching staff member	£17,768	£25,098
Fixed asset value per pupil	£9,861	£11,695

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy trust's income is obtained from the Department of Education (DfE) via the Education Funding Agency (EFA) in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year, total expenditure of £45,109,590 was covered by recurring grant funding from the DfE, together with other incoming resources totalling £46,552,457. The excess of income over expenditure for the year (excluding restricted fixed asset and pension funds) was £457,077.

The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

At 31 August 2015 the net book value of fixed assets was £77,301,290 and movements in tangible fixed assets are shown in Note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were initially valued at £101,634,102 but on receipt of the more detailed EFA desktop valuations, a prior period adjustment has been made which has adjusted the land and buildings value on conversion to £75,195,000. Other assets were included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Trust took on the Local Government Pension Scheme deficit in respect of its non-teaching staff transferred on conversion. On receipt of the 2015 actuarial reports, further clarification has been provided on the settlement

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

figure and as such, a prior period adjustment has been made to correctly adjust the pension deficit on conversion to £8,699,000. The deficit is incorporated within the Statement of Financial Activities with details in Note 29 to the financial statements.

Key financial policies adopted or reviewed during the year include a Finance Policy which sets 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. Other policies adopted included charges and lettings, asset management and insurance.

Reserves Policy

The Trust is largely funded by grants from the Department of Education, the use of which is regulated by our Funding Agreement. The reserves for each individual academy are ring fenced to that academy, and provided that the expenditure for each academy is undertaken within the respective levels of delegation, the Local Governing Bodies can appropriate these reserves as they deem fit. Reserves from the Central function are allocated based on the priorities of the Board of Trustees and Chief Executive Officer. It is expected that moving forward, Trustees will review the future plans of the Trust and set-aside designated reserves as appropriate to maintain the stable progression of the Trust.

The Trust's policy is to aim to hold enough free reserves to cover one month of expenditure. Whilst it is not policy to carry the current level of free reserves, given the tight funding regime for schools, Plymouth CAST has taken a cautious approach to reserves across the network given the known school improvement and site development requirements and known demographic dips (such as now impacting on secondary education in Plymouth). More significantly, as CAST's fundamental goal is school improvement, some reserves have been earmarked for interventions in vulnerable schools that are being implemented in 2015-16.

In the current year, the Board is looking to ensure that reserves are applied effectively to improve our education provision now that we have had a year to analyse both school strengths and vulnerabilities and to establish a clearer basis for planning capital projects across the network.

In line with most Academy Trusts in the UK, Plymouth CAST's defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy Trust.

Investment Policy

During the year, all funds were held in the bank accounts at each of the individual schools. At any time, an individual academy may hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates provided that these accounts are within the Lloyds banking system and are agreed with the Lloyds Relationship Manager. No other form of investment is authorised.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has overall responsibility for ensuring that the Trust has an appropriate system of controls, financial and otherwise. The Board is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board has reviewed the Trust's risk exposure and a process is in place for identifying the operating, financial and compliance controls to mitigate those risks. Also an Audit & Risk Committee is established, whose role is to provide assurance over the suitability of, and compliance with the Trust's financial systems and operational controls. Accordingly, the Committee review, on an ongoing basis, the risks that the organisation faces in terms of its operations, financial management and compliance with statutory and regulatory requirements. A consolidated risk register is maintained, which details risk exposure and the mitigating items. Where appropriate, there is adequate insurance cover to mitigate any residual risks.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The main areas of focus of risk management in the Trust are as follows:

- Long term financial stability
- Financial risks and uncertainties – including future funding environment, pension scheme deficits and student numbers on roll
- Educational standards
- Safeguarding and pupil care
- Health and safety
- Leadership and management
- Physical environment, including buildings and properties' condition
- Disaster recovery planning

The main risks that are likely to affect the Trust are as follows:

- Reputational
The continuing success of the Trust is dependent on its ability to continue to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that students' success and achievements are closely monitored and reviewed.
- Financial
Risk arising from inadequate financial planning and monitoring, resulting in unanticipated overspend. The Trust has established a financial management monitoring approach whereby dedicated Finance Officers, Area Advisers and support accountants work closely with the academies to assist with budget planning and monitoring, but also to identify financial and operating risks. In addition, the Finance Committee meet at least four to five times in a year, during which the actual financial performance of academies are reviewed against budgets by means of update reports.
- Liquidity
The Trust has cash balances and other working capital balances. The main risk arising from these balances is liquidity risk. The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short term borrowing. Also a tranche-pooling process is in place, whereby major expenditure such as payroll, ICT contracts and capital expenditure are managed and paid for centrally. At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.
- Government funding
The Trust has considerable reliance on continued government funding through the EFA, and there is no assurance that government policy or practise will remain the same and funding will remain at the same levels or on the same basis.
- Failures in governance and/or management
The risk in this context is the failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Board of Trustees has established appropriate controls at Trust level and through the scheme of delegation to mitigate these risks.
- Staffing
The success of the Trust is also dependent on its ability to retain, recruit and train quality teaching staff and support staff. Accordingly, the Trust is putting an emphasis on both pastoral and professional support for its staff to ensure continued development and training of staff as well as ensuring there is clear succession planning. It is one of the aspirations for the Trust to become the employer of choice in the South West.
- Safeguarding and child protection
The Board of Trustees continues to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures and health & safety arrangements.
- Maintaining adequate funding of pension liabilities
The financial statements report an increase in the pension scheme deficit under the requirements of FRS 17. The deficit may fluctuate over time based on economic and Local Authorities' investment policies. In effect, the deficit is a long term liability that is anticipated to reduce in the future by employer contributions and additional lump sum payments.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- Fraud and mismanagement of funds

The Trust has engaged an internal audit provider to carry out checks on the adequacy of financial systems and controls in each academy as specified in the EFA Financial Handbook.

PLANS FOR FUTURE PERIODS

The key strategic priorities for the Trust moving forwards are as follows:

- Increase the level of internal capacity in our schools through the provision of core training programmes in: Financial Planning, Management and Administration; Effective Governance and Managing for Staff Development;
- Increase the support for schools in Finance and HR issues through the recruitment of Area HR Officers and Area Finance Officers to replace the ad hoc, school by school arrangements. This development will also provide us with better feedback to improve our network infrastructure;
- Increase the level of consistency, feedback and benchmarking for our schools by completion of a fully operational version of our Information Matrix;
- Review and develop key aspects of infrastructure for Payroll & Pensions, Financial Systems and Capital Works;
- Significantly develop our ability to recruit and develop staff for our schools who are committed to our mission. Our intention is to make a specific full time role for a Recruitment and Development Officer. The responsibilities will cover the full range from encouraging youngsters to consider teaching as a profession, through work experience and teacher training placement, initial teacher training, virtual college for NQTs, middle management development programmes and secondments, to head teacher, executive head teacher and other central leadership role appointments.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

As a public body the Trust is committed to fulfilling its equalities duties and the Trustees recognise that equal opportunities should be an integral part of good practice within the workspace. Plymouth CAST aims to establish equal opportunities in all areas of its activities including the creation of a working environment in which the contribution and needs of all people are fully valued.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 15.12.2015 and signed on the board's behalf by:



**Sir B G Pearce
Chair of Trustees**

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Plymouth CAST 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 Officer, 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 Plymouth CAST 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 Trustees' responsibilities statement. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Sir B G Pearse, Chair of Trustees	7	7
Mr J R Deacon, Trustee	4	7
Mr B Dagnall, Trustee	6	7
Fr W M Muir, Trustee	6	7
Mrs H Brown, Trustee	4	7
Mr J C Mannix, Accounting Officer	7	7
Mr N J Pitt, Trustee	5	7
Mrs F B Guppy, Trustee	6	7
Mr E Howard, Trustee	5	7
Mr P R Cotter, Trustee	7	7
Mr G R Johnson, Trustee	6	7
Mr D A Anderson, Trustee	6	7
Mrs J A Scarborough, Trustee	3	7
Mrs H M Brown, Trustee	7	7
Ms S Barreto, Trustee	6	7

Governance reviews:

During the year, the Trust has reviewed the governance arrangements from three perspectives:

Firstly, we considered whether the size of the Board was adequate to conduct its business effectively. This has been discussed at several meetings and it was decided to reduce the size of the Board, initially by three. This will come into effect in the next year of operation.

Secondly, we considered the level of detail and the length of Board meetings. We decided that we should process more of the detailed business through our committees and report back to the Board only the key items or referred decisions (all Trustees receive all of the full committee meeting minutes and papers as well). The result has been that we now manage to complete the main Board business within a more focused, morning session. This then leaves us free to use the afternoon, where required, to process new matters that require a wider discussion and development of ideas.

Thirdly, the Chairman invited one-to-one conversations with Trustees to assess their own workload and contribution. So far, we have retained all of the original Trustees and have not had to recruit or induct replacements. However we have had several discussions about likely replacements and how best to induct them in future. Our current proposal is to invite people onto the committees to become familiar with CAST's operation and thereby to prepare them for possible future Trustee roles.

The **Finance Committee** is a committee of the Board which consists of no fewer than three members including the Chair of Trustees and relevant members of the Board accompanied by Senior Leaders from member

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

schools, also to include Chief Financial Officer and Finance Manager from CAST Central support. The committee meets at least termly, depending on the priorities that arise within any one term.

The finance committee's purpose is to:

- review all aspects of CAST's financial performance and that of its constituent schools;
- make proposals to the Board on major financial issues;
- make decisions on certain financial matters within the terms of reference of the committee;
- identify any potential issues arising from either the aggregated financial information or specific school vulnerabilities

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Sir B G Pearse, Chair of Trustees	5	5
Mr J R Deacon, Trustee	4	5
Mr N J Pitt, Trustee	5	5
Mr J C Mannix, Accounting Officer	5	5

The **Audit & Risk Committee** is a further committee of the Board which consists of no fewer than three members including the Chair or Vice Chair of the Board of Trustees and relevant members of the Board accompanied by Senior Leaders from member schools, also to include Chief Financial Officer and Finance Manager from CAST Central support. The committee meets at least termly, depending on the priorities that arise within any one term.

The Audit & Risk committee's purpose is to:

Advise the Board on the adequacy and effectiveness of the Trust's systems of internal control, risk management and governance processes to ensure overall efficiency, effectiveness and value for money.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Sir G Pearse, Chair of Trustees	6	6
Mr J C Mannix, Accounting Officer	6	6
Mr B Dagnall, Trustee	6	6
Mr D A Anderson, Trustee	6	6

REVIEW OF VALUE FOR MONEY

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the 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 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 available. The accounting officer for the Trust has delivered improved value for money during the year by:

- Supporting the Area Advisers to look more closely at vulnerable schools and increase the number that receive 'Enhanced Monitoring' (now 11 schools rather than the 4 that were sponsored). Where there was poor financial management, for example, the Enhanced Monitoring Group suspended the delegated powers of the LGB and took on financial oversight of any larger saving or spending decisions;
- Ensuring that additional resources were made available for school improvement in those schools that could not otherwise fund these needs from their budget – thus ensuring intervention has immediate impact rather than having to wait for budget savings;
- Further developing the Financial Stability dimension of the Matrix so that key issues are more easily

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

- identified and school benchmarking is improved;
- Reviewing the cost and impact of school's SLAs for Finance and HR Support. As a result, agreeing a new arrangement (not implemented within the year) of centrally deployed support, giving increased support at lower cost;
- Encouraging shared arrangements as schools lose administrative staff through natural wastage. Several schools, for example, now have shared Business Manager/Administrator arrangements;
- Beginning discussions with the Catholic Church's purchasing consortium, 'ChurchMarketPlace', and initiating a review of current service contracts engaged by CAST schools.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Plymouth CAST for the year 1 September 2014 to 31 August 2015 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 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 Trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The 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 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 has decided to appoint Devon Audit Partnership as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

Devon Audit Partnership has been engaged by Plymouth CAST to provide an independent assurance of the control framework in accordance with the Academies Financial Handbook 2014. In accordance with these requirements, an initial review of the individual schools and the support provided by Plymouth CAST centrally was completed and reported to the Audit and Risk Committee.

The opinions given in this report were based on the discussions and evaluation of the systems and controls reviewed and the results from testing a sample of transactions across a range of schools. The Finance Committee at each school completed a self-assessment of internal controls which was evaluated on an individual basis and tested during individual school visits. This full evaluation provided an overview of internal control across all of the Trust's schools.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

During 2014/15, a sample of schools have been audited by Devon Audit Partnership and an action plan has been developed to ensure all recommendations are addressed in 2015/16.

An independent assurance review has also been undertaken by the external auditors, Bishop Fleming LLP, of CAST Central (Head Office) to review the overall control environment, governance and regularity of CAST's central function in accordance with the Academies Financial Handbook 2014. This engagement was undertaken to complement the independent reviews that have been carried out on a sample of the individual schools. This review identified a number of areas for improvement which have been communicated to the Accounting Officer and Chief Financial Officer. An action plan is being developed which will be reviewed and monitored by the Audit and Risk Committee.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the 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 Audit and Risk 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 15.12.2015 and signed on its behalf, by:



**Sir B G Pearse
Chair of Trustees**



**Mr J C Mannix
Accounting Officer**

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Plymouth CAST I have considered my responsibility to notify the Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

A handwritten signature in black ink, appearing to read 'J C Mannix', with a long horizontal stroke extending to the left and a small loop at the end.

**Mr J C Mannix
Accounting Officer**

Date: 15.12.2015

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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

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

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



**Sir B G Pearse
Chair of Trustees**

Date: 15.12.2015

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMOUTH CAST

We have audited the financial statements of Plymouth CAST for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the 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 Trustees 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 Trustees for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLYMOUTH CAST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Bishop Fleming LLP

Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: *22/12/15*

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PLYMOUTH CAST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Plymouth CAST during the year 1 September 2014 to 31 August 2015 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 Plymouth CAST and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Plymouth CAST and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Plymouth CAST and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF PLYMOUTH CAST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Plymouth CAST's funding agreement with the Secretary of State for Education dated May 2013 and March 2014, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

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

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

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO PLYMOUTH
CAST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 22/12/15

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015**

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:		-	-	-	-	
Transfer from the Diocese of Plymouth and Local Authorities on conversion and in year	2	-	-	2,912,858	2,912,858	59,894,072
Transfer from Other Institutions on conversion	2	-	-	-	-	12,276,000
Other voluntary income	2	70,343	642,165	4,607	717,115	230,018
Activities for generating funds	3	115,973	-	-	115,973	51,599
Investment income	4	16,260	-	-	16,260	899
Incoming resources from charitable activities	5	1,727,695	36,872,625	4,189,931	42,790,251	18,544,283
TOTAL INCOMING RESOURCES		1,930,271	37,514,790	7,107,396	46,552,457	90,996,871
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs	6	28,598	-	-	28,598	1,183
Charitable activities	6	1,001,865	38,651,522	2,222,460	41,875,847	18,132,875
Governance costs	9	1,953	119,675	-	121,628	218,108
Other resources expended	10	-	-	3,083,517	3,083,517	-
TOTAL RESOURCES EXPENDED	6	1,032,416	38,771,197	5,305,977	45,109,590	18,352,166
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		897,855	(1,256,407)	1,801,419	1,442,867	72,644,705

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Transfers between Funds	21	(135,000)	(40,371)	175,371	-	-
NET INCOME FOR THE YEAR		762,855	(1,296,778)	1,976,790	1,442,867	72,644,705
Actuarial gains and losses on defined benefit pension schemes		-	(331,000)	-	(331,000)	(1,400,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		762,855	(1,627,778)	1,976,790	1,111,867	71,244,705
Total funds at 1 September 2014		3,335,037	(12,904,046)	102,263,382	92,694,373	-
Prior year adjustment (Note 20)		-	4,617,000	(26,066,668)	(21,449,668)	-
TOTAL FUNDS AT 31 AUGUST 2015		4,097,892	(9,914,824)	78,173,504	72,356,572	71,244,705

All activities relate to continuing operations.

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

The prior period reported on reflects the financial information from the date of conversion, being 17 months for 1 school and 5 months for 34 schools.

The notes on pages 25 to 54 form part of these financial statements.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08438686**

**BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	As restated 2014 £
FIXED ASSETS					
Tangible assets	16		77,301,290		75,988,251
CURRENT ASSETS					
Debtors	17	2,620,635		1,368,123	
Cash at bank and in hand		6,200,367		5,371,562	
			8,821,002	6,739,685	
CREDITORS: amounts falling due within one year	18	(3,521,780)		(2,547,641)	
NET CURRENT ASSETS			5,299,222		4,192,044
TOTAL ASSETS LESS CURRENT LIABILITIES			82,600,512		80,180,295
CREDITORS: amounts falling due after more than one year	19		(222,940)		(236,590)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			82,377,572		79,943,705
Defined benefit pension scheme liability	29		(10,021,000)		(8,699,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			72,356,572		71,244,705
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	21	106,176		411,954	
Fixed asset funds	21	78,173,504		76,196,714	
Restricted funds excluding pension liability		78,279,680		76,608,668	
Pension reserve		(10,021,000)		(8,699,000)	
Total restricted funds			68,258,680		67,909,668
Unrestricted funds	21		4,097,892		3,335,037
TOTAL FUNDS			72,356,572		71,244,705

The financial statements were approved by the Trustees, and authorised for issue, on *15.12.2015* and are signed on their behalf, by:



**Sir Brian G Pearse
Chair of Trustees**

The notes on pages 25 to 54 form part of these financial statements.

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	31 August 2015 £	As restated Period ended 31 August 2014 £
Net cash flow from operating activities	23	2,570,388	2,887,649
Returns on investments and servicing of finance	24	16,260	899
Capital expenditure and financial investment	24	(1,757,843)	(228,050)
Cash transferred on conversion to an academy trust		-	3,083,504
INCREASE IN CASH IN THE YEAR		828,805	5,744,002

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	31 August 2015 £	As restated Period ended 31 August 2014 £
Increase in cash in the year	828,805	5,744,002
MOVEMENT IN NET FUNDS IN THE YEAR	828,805	5,744,002
Net funds/(debt) at 1 September 2014 (as restated)	5,371,562	(372,440)
NET FUNDS AT 31 AUGUST 2015	6,200,367	5,371,562

The notes on pages 25 to 54 form part of these financial statements.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006. Some restatements and reallocations have been made to the prior period figures following updated guidance from the EFA.

1.2 FUND ACCOUNTING

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

1.3 INCOMING RESOURCES

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

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

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

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

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

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

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

**PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

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

1.4 RESOURCES EXPENDED

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the period ended 31 August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

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

Leasehold Land	-	0.8% straight line
Long term leasehold buildings	-	2 - 4% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

The Trust has been granted use of the school buildings from the Plymouth Roman Catholic Diocesan Trustees Registered under Supplemental Agreements for each school. The Academies Financial Handbook 2014/15 prescribes that under these agreements the risks and rewards of ownership remain with the Trust. The land and buildings have been included within the long-term leasehold property of the Trust.

The Supplemental Agreements include the right for the Plymouth Roman Catholic Diocesan Trustees Registered to give not less than 2 years written notice to the Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

1.7 OPERATING LEASES

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

1.8 TAXATION

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

1.9 PENSIONS

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 29, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

1. ACCOUNTING POLICIES (continued)

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

1.10 AGENCY ARRANGEMENTS

The Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in Note 28.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Transfer from the Diocese of Plymouth and Local Authorities on conversion and in year	-	2,912,858	2,912,858	59,894,072
Transfer from Other Institutions on conversion	-	-	-	12,276,000
	-	2,912,858	2,912,858	72,170,072
Donations	70,343	646,772	717,115	230,018
Voluntary income	70,343	3,559,630	3,629,973	72,400,090

Transfer from the Diocese of Plymouth and Local Authorities on conversion and in year

This represents the valuation of long term leasehold land and buildings owned by the Diocese of Plymouth and Local Authorities but transferred to Plymouth CAST on conversion, for educational purposes and specifically for occupation by the Catholic schools in the diocese, as specified in the Church Supplemental Agreements. The in year income relates to leasehold land and buildings that have been transferred to Plymouth CAST for St Mary's CPS (Swanage) to operate from. The value of the land has been estimated based on the values of similar size plots for similar schools within the Trust and the buildings have been valued at cost. Although this site has not been formally transferred, given that the school was occupying the site from the start of the year, the transfer has been recognised in the financial statements to reflect the substance of the transaction. This treatment is on the same basis as applied in the prior period.

Transfer from Other Institutions on conversion

This represents the valuation of freehold land and long term leasehold land and buildings owned by Other Institutions that have been transferred to Plymouth CAST on conversion, for educational purposes and specifically for occupation by the Catholic schools in the diocese, as specified in Supplemental Agreements.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Lettings	93,892	-	93,892	38,347
External Catering	20,635	-	20,635	11,324
Other	1,446	-	1,446	1,928
	<u>115,973</u>	<u>-</u>	<u>115,973</u>	<u>51,599</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Bank interest	16,260	-	16,260	899
	<u>16,260</u>	<u>-</u>	<u>16,260</u>	<u>899</u>

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Education	487,280	41,050,842	41,538,122	18,030,027
Nursery	1,240,415	11,714	1,252,129	514,256
	<u>1,727,695</u>	<u>41,062,556</u>	<u>42,790,251</u>	<u>18,544,283</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
DfE/EFA grants				
General Annual Grant	-	31,947,565	31,947,565	14,373,435
Start up Grants	-	-	-	1,196,000
Capital Grants	-	1,709,402	1,709,402	238,616
Other DfE/EFA grants	-	3,500,758	3,500,758	1,093,317
	<u>-</u>	<u>37,157,725</u>	<u>37,157,725</u>	<u>16,901,368</u>
Other Government grants				
High Needs	-	1,038,345	1,038,345	457,906
Other government grants	-	252,148	252,148	100,007
	<u>-</u>	<u>1,290,493</u>	<u>1,290,493</u>	<u>557,913</u>
Other funding				
Internal catering income	370,359	-	370,359	167,933
Sales to students	46,091	-	46,091	16,120
Other curriculum income	70,830	122,095	192,925	372,907
Other capital grants	-	2,480,529	2,480,529	13,786
	<u>487,280</u>	<u>2,602,624</u>	<u>3,089,904</u>	<u>570,746</u>
	<u>487,280</u>	<u>41,050,842</u>	<u>41,538,122</u>	<u>18,030,027</u>

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	As restated
	2015	Premises	Other	2015	Period ended
	£	2015	2015	£	31 August
		£	£		2014
					£
Activities for generating funds	6,914	2,891	18,793	28,598	1,183
COSTS OF GENERATING FUNDS	6,914	2,891	18,793	28,598	1,183
Direct costs - Education	25,823,221	1,457,567	2,963,976	30,244,764	13,081,602
Direct costs - Nursery	324,993	68,681	48,600	442,274	252,022
Support costs - Education	4,371,597	2,641,075	3,812,075	10,824,747	4,620,354
Support costs - Nursery	213,796	63,863	86,403	364,062	178,897
CHARITABLE ACTIVITIES	30,733,607	4,231,186	6,911,054	41,875,847	18,132,875
GOVERNANCE	37,994	-	83,634	121,628	218,108
OTHER RESOURCES EXPENDED	-	-	3,083,517	3,083,517	-
	30,778,515	4,234,077	10,096,998	45,109,590	18,352,166

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Education £	Nursery £	Total 2015 £	As restated Period ended 31 August 2014 £
Pension finance costs	118,000	-	118,000	62,000
Educational supplies	1,446,775	19,170	1,465,945	645,556
Examination fees	152,143	-	152,143	86,150
Staff development	293,197	13,687	306,884	92,272
Other costs	619,759	-	619,759	269,923
Supply teachers	440,551	1,356	441,907	215,143
Wages and salaries	20,612,285	323,637	20,935,922	9,109,714
National insurance	1,332,772	-	1,332,772	582,343
Pension cost	3,437,613	-	3,437,613	1,448,933
Depreciation	1,791,669	84,424	1,876,093	821,590
	30,244,764	442,274	30,687,038	13,333,624

8. SUPPORT COSTS

	Education £	Nursery £	Total 2015 £	As restated Period ended 31 August 2014 £
Pension finance costs	77,000	-	77,000	37,000
Educational supplies	11,673	-	11,673	1,235
Other costs	29,226	23,954	53,180	37,744
Recruitment and support	290,410	2,588	292,998	209,413
Maintenance of premises and equipment	948,832	12,229	961,061	314,854
Cleaning	515,265	16,028	531,293	251,182
Rent and rates	428,232	5,353	433,585	152,382
Energy costs	471,899	17,211	489,110	180,504
Insurance	425,518	21,084	446,602	252,930
Security and transport	147,858	1,061	148,919	64,060
Catering	1,264,404	13,521	1,277,925	311,019
Technology costs	-	3,368	3,368	7,066
Office overheads	704,799	12,247	717,046	500,700
Legal and professional	127,220	6,127	133,347	215,266
Bank charges	826	767	1,593	12,751
Educational Consultancy	792,965	-	792,965	372,756
Wages and salaries	3,295,508	176,418	3,471,926	1,365,109
National insurance	131,486	5,490	136,976	55,229
Pension cost	849,072	31,888	880,960	320,558
Depreciation	312,554	14,728	327,282	137,493
	10,824,747	364,062	11,188,809	4,799,251

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Internal audit costs	-	7,500	7,500	4,132
Auditors' remuneration	-	18,850	18,850	22,100
Auditors' non audit costs	-	26,670	26,670	10,150
Auditors' non audit costs (prior period)	-	13,300	13,300	-
Legal and Professional	-	7,644	7,644	160,256
Other costs	1,953	6,448	8,401	3,015
Trustees' expenses reimbursed	-	1,269	1,269	1,320
Wages and salaries	-	37,994	37,994	17,135
	<u>1,953</u>	<u>119,675</u>	<u>121,628</u>	<u>218,108</u>

10. OTHER RESOURCES EXPENDED

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Period ended 31 August 2014 £
Surrender of supplemental agreement	-	3,083,517	3,083,517	-

During the year, Plymouth CAST surrendered a supplemental agreement for the occupation and use of land and buildings at St Mary's CPS (Swanage), that was in place with Plymouth Roman Catholic Diocesan Trustees Registered (PRCDTR). The surrender has led to a disposal of the carrying value of the land and buildings at the date of surrender. This surrender was made after the school moved to a new site that was purpose built by the Local Authority, which has been recognised as a transfer in from PRCDTR (Note 2).

11. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	31 August 2015 £	As restated Period ended 31 August 2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	2,203,375	959,083
Auditors' remuneration	18,850	22,100
Auditors' remuneration - non-audit	26,670	10,150
Internal audit costs	7,500	4,132
Operating lease rentals:		
- other operating leases	168,398	61,613
Auditors' remuneration - non-audit (prior period)	13,300	-
Loss on disposal of assets	19,085	-
Loss on surrender of supplemental agreement (Note 10)	3,083,517	-

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. STAFF

a. Staff costs

Staff costs were as follows:

	31 August 2015 £	As restated Period ended 31 August 2014 £
Wages and salaries	23,963,092	10,352,489
Social security costs	1,470,106	637,572
Pension costs	4,319,400	1,769,491
	29,752,598	12,759,552
Supply teacher costs	488,479	139,469
Staff restructuring costs	95,531	124,049
Agency supply teacher costs	441,907	215,143
	30,778,515	13,238,213

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £46,218 (2014: £82,499). Individually, the payments were £14,200, £13,000, £9,040, £5,680, £2,798 and £1,500. (2014: £24,449, £12,000, £11,525, £10,000, £6,357, £5,000, £4,550, £3,366, £3,122 and £2,130).

c. Staff numbers

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

	31 August 2015 No.	As restated Period ended 31 August 2014 No.
Teachers	329	297
Educational Support	344	348
Administration & Clerical	122	113
Management	98	92
	893	850

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. STAFF (continued)

d. Higher paid staff

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

	31 August	As restated
	2015	Period ended
	No.	31 August
		2014
		No.
In the band £60,001 - £70,000	5	4
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	2	1
In the band £110,001 - £120,000	0	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these members amounted to £109,313 (2014: £32,982).

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

13. CENTRAL SERVICES

The Trust has provided the following central services to its schools during the year:

- Human resources and payroll support
- Financial services
- Legal services
- Educational support services

The Trust charges for these services on the following basis:

These services are funded on a cost per pupil basis which is retained centrally and allocated as and when necessary. Any surplus is retained centrally to ensure that there is sufficient contingency in place to cover unplanned eventualities as advised by the EFA when the Trust was established.

The actual amounts charged during the year were as follows:

	31 August
	2015
	£
Christ the King CPS	46,122
St Mary's CPS, Bodmin	33,606
St John's CPS, Camborne	22,120
St Mary's CPS, Falmouth	30,380
St Mary's CPS, Penzance	24,648
Our Lady's CPS	25,060
Our Lady and St Patrick's CPS	29,683
St John's CPS, Tiverton	25,480
St John the Baptist CPS	11,200
St Joseph's CPS, Exmouth	28,280
St Joseph's CPS, Newton Abbot	17,920
St Mary's CPS, Axminster	17,360
St Mary's CPS, Buckfast	9,800
St Nicholas CPS	44,722
St Augustine's CPS	28,000
St Catherine's CPS, Wimborne	23,940
St Catherine's CPS, Bridport	24,780
St Mary's CPS, Marnhull	8,820
St Mary's Catholic First School	19,740
St Mary's CPS, Swanage	24,500
St Mary & St Joseph's CPS	18,200
Holy Cross CPS	31,360
Keyham Barton CPS	27,020
Priory CPS	28,420
Queensway CPS	27,020
Sacred Heart CPS	31,875
Notre Dame RC School	120,540
St Boniface's RC College	103,880
St Joseph's CPS, Devonport	19,180
St Margaret Clitherow CPS	17,780
St Paul's CPS	29,260
St Peter's CPS	25,760
The Cathedral of St Mary	16,100
St Joseph's CPS, Poole	45,360
St Mary's CPS, Poole	58,800
	1,096,716
Total	1,096,716

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 7 Trustees (2014: 7) in respect of defined benefit pension schemes.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Headteachers and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteachers and staff members under their contracts of employment, and not in respect of their role as Trustees. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

Mr J C Mannix (CEO and Trustee)

Remuneration £80,000 - £85,000 (2014: £53,333 - £60,000 pro-rated for 8 months)

Employer's pension contributions £10,000 - £15,000 (2014: £6,667 - £9,999 pro-rated for 8 months)

Mr P R Cotter (Headteacher and Trustee)

Remuneration £70,000 - £75,000 (2014: £25,000 - £29,167 pro-rated for 5 months)

Employer's pension contributions £10,000 - £15,000 (2014: £2,083 - £4,166 pro-rated for 5 months)

Mrs J A Scarborough (Headteacher and Trustee)

Remuneration £65,000 - £70,000 (2014: £22,917 - £24,999 pro-rated for 5 months)

Employer's pension contributions £5,000 - £10,000 (2014: £2,083 - £4,166 pro-rated for 5 months)

Mrs S Baretto (Headteacher and Trustee)

Remuneration £65,000 - £70,000 (2014: £22,917 - £24,999 pro-rated for 5 months)

Employer's pension contributions £5,000 - £10,000 (2014: £2,083 - £4,166 pro-rated for 5 months)

Mrs H Brown (Headteacher and Trustee)

Remuneration £55,000 - £60,000 (2014: £22,917 - £24,999 pro-rated for 5 months)

Employer's pension contributions £5,000 - £10,000 (2014: £2,083 - £4,166 pro-rated for 5 months)

Mrs H M Brown (Headteacher and Trustee)

Remuneration £50,000 - £55,000 (2014: £20,833 - £22,916 pro-rated for 5 months)

Employer's pension contribution £5,000 - £10,000 (2014: £2,083 - £4,166 pro-rated for 5 months)

Mrs F B Guppy (Headteacher and Trustee)

Remuneration £55,000 - £60,000 (2014: £20,883 - £22,916 pro-rated for 5 months)

Employer's pension contribution £5,000 - £10,000 (2014: £2,083 - £4,166 pro-rated for 5 months)

During the year, no Trustees received any benefits in kind (2014: £NIL).

During the year ended 31 August 2015, expenses totalling £1,269 (2014: £1,320) were reimbursed to 4 Trustees (2014: 4).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £5,339 (2014: £3,284). The cost of this insurance is included in the total insurance cost.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

16. TANGIBLE FIXED ASSETS

	Freehold property £	Long term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST						
At 1 September 2014 (as previously stated)	50,000	101,923,306	30,250	716,100	666,780	103,386,436
Prior year adjustment	-	(26,439,102)	-	-	-	(26,439,102)
At 1 September 2014 (as restated)	50,000	75,484,204	30,250	716,100	666,780	76,947,334
Additions	-	6,435,706	-	139,977	43,333	6,619,016
Disposals	-	(3,116,038)	-	(9,047)	-	(3,125,085)
At 31 August 2015	50,000	78,803,872	30,250	847,030	710,113	80,441,265
DEPRECIATION						
At 1 September 2014 (as previously stated)	167	1,175,515	2,303	60,817	92,715	1,331,517
Prior year adjustment	(167)	(372,267)	-	-	-	(372,434)
At 1 September 2014 (as restated)	-	803,248	2,303	60,817	92,715	959,083
Charge for the year	-	1,792,500	6,987	167,182	236,706	2,203,375
On disposals	-	(22,483)	-	-	-	(22,483)
At 31 August 2015	-	2,573,265	9,290	227,999	329,421	3,139,975
NET BOOK VALUE						
At 31 August 2015	50,000	76,230,607	20,960	619,031	380,692	77,301,290
At 31 August 2014 (as restated)	50,000	74,680,956	27,947	655,283	574,065	75,988,251

Included within Long term leasehold property additions, are costs totalling £3,977,617 (2014: £79,186) which relate to an asset under construction.

17. DEBTORS

	2015 £	2014 £
Trade debtors	138,146	14,595
VAT recoverable	380,204	219,559
Other debtors	-	2
Prepayments and accrued income	2,102,285	1,133,967
	2,620,635	1,368,123

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	696,426	285,541
Other taxation and social security	883,454	887,887
Other creditors	157,684	25,000
Accruals and deferred income	1,784,216	1,349,213
	<u>3,521,780</u>	<u>2,547,641</u>

DEFERRED INCOME

Deferred income at 1 September 2014	719,528
Resources deferred during the year	713,898
Amounts released from previous period	(719,528)
	<u>713,898</u>
Deferred income at 31 August 2015	<u>713,898</u>

At the balance sheet date the Trust was holding funds received in advance for funding relating to the 2015/16 academic year, the majority of which is in respect of Universal Infant Free School Meal funding.

19. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Other creditors	222,940	236,590
	<u>222,940</u>	<u>236,590</u>

20. PRIOR PERIOD ADJUSTMENT

The EFA have provided desktop valuations of the land & buildings within the Plymouth CAST portfolio as at 31 August 2015. These valuations were not available in the prior period and therefore a sample of the land and buildings were formally valued. This valuation sample was used to estimate the value of the overall portfolio which was recognised in the prior period accounts. The actual valuation reported in the EFA desktop valuations was £26,066,668 lower than the previous estimation, therefore a prior period adjustment has been recognised, reducing the asset values transferred in on conversion.

The FRS17 reports received as at 31 August 2015 provided further clarification on a settlement figure included within the 2014 reported deficit figure. The settlement figure which was previously included in addition to the FRS17 valuation is not required and therefore a prior period adjustment to the sum of £4,617,000 has been reflected in the accounts to correct the deficit included as at 31 August 2014.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS

	Brought Forward As restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	3,335,037	1,930,271	(1,032,416)	(135,000)	-	4,097,892
RESTRICTED FUNDS						
General Annual Grant (GAG)	280,476	31,947,565	(31,934,346)	(40,371)	-	253,324
High Needs	-	1,048,603	(1,048,603)	-	-	-
Start up grants	369,152	-	(369,152)	-	-	-
Devolved formula capital	-	238,913	(218,234)	-	-	20,679
Other DfE/EFA grants	171,636	3,263,301	(3,262,801)	-	-	172,136
Other government grants	-	252,148	(252,148)	-	-	-
Other	-	760,260	(760,260)	-	-	-
Deficit transferred on conversion from Local Authority	(409,310)	-	69,347	-	-	(339,963)
Pension reserve	(8,699,000)	4,000	(995,000)	-	(331,000)	(10,021,000)
	(8,287,046)	37,514,790	(38,771,197)	(40,371)	(331,000)	(9,914,824)

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Brought Forward As restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion and in year	75,514,397	2,912,858	(5,156,162)	-	-	73,271,093
Fixed assets purchased from GAG	460,028	-	(56,610)	40,371	-	443,789
Fixed assets purchased from unrestricted funds	-	-	(2,700)	135,000	-	132,300
DfE/EFA Capital grants	208,461	1,709,402	(66,564)	-	-	1,851,299
Local Authority Capital grants	13,828	2,450,529	(23,441)	-	-	2,440,916
Other	-	34,607	(500)	-	-	34,107
	76,196,714	7,107,396	(5,305,977)	175,371	-	78,173,504
Total restricted funds	67,909,668	44,622,186	(44,077,174)	135,000	(331,000)	68,258,680
Total of funds	71,244,705	46,552,457	(45,109,590)	-	(331,000)	72,356,572

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

Restricted Funds

General Annual Grant (GAG)

This represents funding from the EFA which is to be used for the normal running costs of the Trust, including education and support costs.

High Needs

This represents funding from both the EFA and Local Authorities to further support students with additional needs.

Start up grants

This fund represents support and sponsorship grant funding from the EFA to support the schools with pre-opening costs, conversion costs and to help support each of the sponsored schools.

Devolved formula capital

This represents devolved formula capital funding from the EFA to fund capital maintenance at each of the schools. Transfers are made from the restricted fund down to the restricted fixed asset fund where the funding is to be spent on capital assets.

Other DfE/EFA grants

This represents funding for Pupil Premium (for children that qualify for free school meals to enable the Trust to address the current underlying inequalities between those children and their wealthier peers), UIFSM (to support schools in delivering the legal requirement to offer free school meals, meeting the school food standards, to all pupils in reception, year 1 and year 2), PE and Sport Premium (to improve

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

the quality of PE and sport activities being offered to pupils) and other small grants.

Other government grants

This represents funding from the Local Authorities for various different projects and purposes, such as PAN expansion and split site funding.

Other

This represents funding from various sources, including educational school trip income and donations for a range of projects and purposes.

Deficit transferred on conversion from Local Authority

This represents the revenue deficits that remain from those schools that inherited a deficit position on conversion.

Pension Reserve

This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to a Multi-Academy Trust. The Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed assets transferred on conversion and in year

This represents the land, buildings and equipment donated to the schools from the Local Authorities, Diocese of Plymouth and Other Institutions on conversion and during the year.

Fixed assets purchased from GAG

This represents funds transferred from the restricted GAG fund to purchase fixed assets.

Fixed assets purchased from unrestricted funds

This represents funds transferred from the unrestricted fund to purchase fixed assets.

DfE/EFA capital grants

This represents the Trust's DFC, ACMF, UIFSM and SCA funding allocations from the EFA to fund the purchase and maintenance of Trust assets. Transfers are made from the restricted DFC fund down to the restricted fixed asset fund where the funding is to be spent on capital assets.

Local Authority capital grants

This represents funding received from Local Authorities which has been granted to the Trust to fund capital build and expansion projects.

Other

This represents funding from various fund providers and institutions for the purchase of specific assets or towards specific build and expansion projects.

Other Information

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2015 are allocated as follows:

	Total £
Christ the King CPS	202,730
St Mary's CPS, Bodmin	92,989
St John's CPS, Camborne	49,534
St Mary's CPS, Falmouth	206,413
St Mary's CPS, Penzance	44,974
Our Lady's CPS	36,143
Our Lady and St Patrick's CPS	83,105
St John's CPS, Tiverton	85,369
St John the Baptist CPS	74,348
St Joseph's CPS, Exmouth	65,853
St Joseph's CPS, Newton Abbot	(32,510)
St Mary's CPS, Axminster	(17,682)
St Mary's CPS, Buckfast	-
St Nicholas CPS	39,637
St Augustine's CPS	50,270
St Catherine's CPS, Wimborne	133,056
St Catherine's CPS, Bridport	9,701
St Mary's CPS, Marnhull	15,574
St Mary's Catholic First School	70,650
St Mary's CPS, Swanage	63,285
St Mary & St Joseph's CPS	96,454
Holy Cross CPS	175,149
Keyham Barton CPS	98,118
Priory CPS	164,360
Queensway CPS	20,507
Sacred Heart CPS	151,225
Notre Dame RC School	661,049
St Boniface's RC College - Deficit on conversion	(334,410)
St Boniface's RC College - Deficit in year	(25,367)
St Joseph's CPS, Devonport	85,938
St Margaret Clitherow CPS	128,825
St Paul's CPS	112,350
St Peter's CPS	116,277
The Cathedral of St Mary	157,354
St Joseph's CPS, Poole	-
St Mary's CPS, Poole	601,278
Orchard Nursery	98,664
Plymouth CAST Central	622,858
Total before fixed asset fund and pension reserve	4,204,068
Restricted fixed asset fund	78,173,504
Pension reserve	(10,021,000)
Total	72,356,572

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

The following schools are carrying net deficits on their portion of the funds as follows:

Name of school	Amount of deficit £
St Joseph's CPS, Newton Abbot	(32,510)
St Mary's CPS, Axminster	(17,682)
St Boniface's RC College	(359,777)

The Trust is taking the following action to return the schools to a surplus position:

St Joseph's CPS, Newton Abbot

The school has been through a difficult period and in engaging with this, it was recognised that the school was in need of remedial development of both its classroom resources and its ICT infrastructure. In fact, the overall budget position for the school is sound and it does not have a structural deficit. However, the Trust supported the underwriting of budget overspend to ensure educational standards would improve quickly. As we have arranged for additional management support for the school, it is likely to remain in deficit in the coming year but in surplus in successive years.

St Mary's CPS, Axminster

Again the school was in a period of instability through not being able to recruit a substantive head teacher but also with a need to improve standards. The current structure is both effective and affordable but the deficit was brought about through expensive interim management arrangements in the early part of the year and the preceding period. We are confident that the school will be able to set a balanced budget for 2016-17.

St Boniface's RC College

The school is in a deficit position as a result of a large deficit adopted on conversion. It has been agreed with the EFA that the deficit will be recouped through an abatement of GAG over the next 3 years, which should see the deficit continue to decrease and clear by 31 August 2018.

This school was in "Serious Weaknesses" and as such, was a sponsored academy when it joined CAST and has needed and still needs much support. A special case was made of the school by the government and it was expected to carry forward a large deficit on conversion. While the financial situation is much improved at the school, it is facing a falling roll as well as needing to invest in significant school improvement measures. While major contributions to school improvement have been made from central reserves, the Trust has considered that it is helpful to identify an in-year deficit as a reminder to local governance and management of the need for good stewardship. The school is currently undergoing restructuring of its staffing to ensure that it does not have a structural deficit, but this can itself be an expensive process. However, the Trust is happy that the new leadership and governance of the school, with continued support from CAST central staff and funding, will repay the deficit in the agreed period and be in a position to set balanced budgets from 2017 or earlier.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

ANALYSIS OF SCHOOLS BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Christ the King CPS	1,130,850	214,250	69,848	301,104	1,716,052
St Mary's CPS, Bodmin	769,335	134,610	50,524	217,802	1,172,271
St John's CPS, Camborne	535,382	61,399	28,382	122,351	747,514
St Mary's CPS, Falmouth	573,231	81,618	44,284	190,902	890,035
St Mary's CPS, Penzance	573,157	58,253	36,434	157,060	824,904
Our Lady's CPS	519,625	131,250	35,628	153,589	840,092
Our Lady and St Patrick's CPS	629,842	80,675	47,505	204,786	962,808
St John's CPS, Tiverton	553,828	189,247	36,635	157,928	937,638
St John the Baptist CPS	272,188	31,112	14,090	60,742	378,132
St Joseph's CPS, Exmouth	515,698	68,717	41,466	178,754	804,635
St Joseph's CPS, Newton Abbot	464,174	82,377	30,395	131,028	707,974
St Mary's CPS, Axminster	458,352	43,723	25,564	110,202	637,841
St Mary's CPS, Buckfast	305,222	56,877	14,896	64,212	441,207
St Nicholas CPS	852,683	162,617	68,841	296,766	1,380,907
St Augustine's CPS	594,948	92,064	40,862	176,150	904,024
St Catherine's CPS, Wimborne	461,582	70,409	36,434	157,060	725,485
St Catherine's CPS, Bridport	566,281	94,821	38,044	164,002	863,148
St Mary's CPS, Marnhull	266,358	42,810	12,077	52,064	373,309
St Mary's Catholic First School	371,852	47,383	30,596	131,896	581,727
St Mary's CPS, Swanage	556,689	82,809	33,616	144,912	818,026
St Mary & St Joseph's CPS	464,640	77,256	29,187	125,822	696,905
Holy Cross CPS	623,616	95,711	47,505	204,786	971,618
Keyham Barton CPS	664,538	122,819	40,862	176,150	1,004,369
Priory Roman CPS	515,367	96,061	40,459	174,415	826,302
Queensway CPS	656,070	67,143	38,849	167,473	929,535
Sacred Heart CPS	677,782	73,608	49,115	211,728	1,012,233
Notre Dame RC School	3,085,394	537,152	161,435	695,924	4,479,905
St Boniface's RC College	2,800,336	444,376	129,027	556,219	3,929,958
St Joseph's CPS, Devonport	500,524	85,711	30,395	131,028	747,658
St Margaret Clitherow CPS	430,142	52,431	24,557	105,864	612,994
St Paul's CPS	569,029	104,235	38,447	165,738	877,449
St Peter's CPS	529,692	101,143	34,219	147,515	812,569
The Cathedral of St Mary	395,248	72,740	22,142	95,451	585,581
St Joseph's CPS, Poole	969,842	205,386	71,056	306,311	1,552,595
St Mary's CPS, Poole	1,088,021	132,422	84,542	364,449	1,669,434
Plymouth CAST Central	881,703	535,087	38,497	528,250	1,983,537
Orchard Nursery	-	324,992	13,436	64,814	403,242
	25,823,221	4,955,294	1,629,851	7,395,247	39,803,613

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Period ended 31 August 2014 £
Tangible fixed assets	-	-	77,301,290	77,301,290	75,988,251
Current assets	4,097,892	2,966,194	1,756,916	8,821,002	6,739,685
Creditors due within one year	-	(2,637,078)	(884,702)	(3,521,780)	(2,547,641)
Creditors due in more than one year	-	(222,940)	-	(222,940)	(236,590)
Pension scheme liability	-	(10,021,000)	-	(10,021,000)	(8,699,000)
	<u>4,097,892</u>	<u>(9,914,824)</u>	<u>78,173,504</u>	<u>72,356,572</u>	<u>71,244,705</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	31 August 2015 £	As restated Period ended 31 August 2014 £
Net incoming resources before revaluations	1,442,867	72,644,705
Returns on investments and servicing of finance	(16,260)	(899)
Net assets transferred on conversion	-	(72,170,072)
Depreciation of tangible fixed assets	2,203,375	1,331,517
Deficit on disposal of tangible fixed assets	19,085	-
Capital grants from DfE/EFA	(1,948,315)	(252,402)
Increase in debtors	(1,252,512)	(1,368,121)
Increase in creditors	960,489	2,374,921
Surrender of lease for land and buildings	3,083,517	-
Transfer in of land and buildings	(2,912,858)	-
Defined benefit pension scheme adjustments	991,000	328,000
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>2,570,388</u>	<u>2,887,649</u>

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

	31 August 2015 £	As restated Period ended 31 August 2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>16,260</u>	<u>899</u>

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	31 August 2015	As restated Period ended 31 August 2014
	£	£
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(3,706,158)	(480,452)
Capital grants from DfE/EFA	1,948,315	252,402
	<hr/>	<hr/>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(1,757,843)	(228,050)
	<hr/> <hr/>	<hr/> <hr/>

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014	Cash flow	Other non-cash changes	31 August 2015
	£	£	£	£
Cash at bank and in hand:	5,371,562	828,805	-	6,200,367
	<hr/>	<hr/>	<hr/>	<hr/>
NET FUNDS	5,371,562	828,805	-	6,200,367
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

26. MEMBERS' LIABILITY

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

27. CAPITAL COMMITMENTS

At 31 August 2015 the Trust had capital commitments as follows:

	2015	2014
	£	£
Contracted for but not provided in these financial statements	455,292	241,044
	<hr/> <hr/>	<hr/> <hr/>

28. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ended 31 August 2015 the Trust received £38,930 and disbursed £38,930 from the fund. An amount of £NIL is included in other creditors relating to undistributed funds that is repayable to EFA.

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

29. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £443,610 were payable to the scheme at 31 August 2015 (2014: 438,579) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £2,113,772 (2014: £864,583).

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

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

29. PENSION COMMITMENTS (continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £1,909,000, of which employer's contributions totalled £1,454,000 and employees' contributions totalled £455,000. The agreed contribution rates for future years are 17 - 19% for employers and 5.5 - 10.5% 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.

The amounts recognised in the Balance sheet are as follows:

	31 August 2015	As restated Period ended 31 August 2014
	£	£
Present value of funded obligations	(20,132,000)	(16,735,000)
Fair value of scheme assets	10,111,000	8,036,000
Net liability	(10,021,000)	(8,699,000)

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

	31 August 2015	As restated Period ended 31 August 2014
	£	£
Current service cost	(2,254,000)	(837,000)
Interest on obligation	(715,000)	(306,000)
Expected return on scheme assets	520,000	207,000
Total	(2,449,000)	(936,000)

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

29. PENSION COMMITMENTS (continued)

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

	31 August	As restated
	2015	Period ended
	£	31 August
		2014
		£
Opening defined benefit obligation	16,735,000	-
Current service cost	2,254,000	837,000
Interest cost	715,000	306,000
Contributions by scheme participants	455,000	187,000
Actuarial (gains)/losses	(87,000)	1,560,000
Benefits paid	72,000	-
Liability transferred on conversion	-	13,845,000
Settlements	(12,000)	-
	20,132,000	16,735,000
Closing defined benefit obligation	20,132,000	16,735,000

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

	31 August	As restated
	2015	Period ended
	£	31 August
		2014
		£
Opening fair value of scheme assets	8,036,000	-
Expected return on assets	520,000	207,000
Actuarial gains and (losses)	(418,000)	160,000
Contributions by employer	1,454,000	608,000
Contributions by employees	455,000	187,000
Benefits paid	72,000	-
Asset transferred on conversion	-	6,874,000
Settlements	(8,000)	-
	10,111,000	8,036,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(331,000) (2014: £(1,400,000)).

The Trust expects to contribute £1,438,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	51.00 %	55.67 %
Bonds	22.67 %	14.67 %
Property	9.33 %	8.33 %
Cash	2.67 %	4.00 %
Gilts	5.67 %	8.67 %
Absolute Return Portfolio	-	-
Alternative Assets	1.33 %	2.33 %

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

29. PENSION COMMITMENTS (continued)

Cornwall LGPS:

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	4.80 %
Rate of increase in salaries	4.50 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.2 years	22.2 years
Females	24.4 years	24.4 years
Retiring in 20 years		
Males	24.4 years	24.4 years
Females	26.8 years	26.8 years

Devon LGPS:

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	6.00 %	6.00 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.8 years	22.7 years
Females	26.1 years	26.0 years
Retiring in 20 years		
Males	25.1 years	24.9 years
Females	28.4 years	28.3 years

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

29. PENSION COMMITMENTS (continued)

Dorset LGPS:

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	3.90 %
Expected return on scheme assets at 31 August	5.60 %	5.60 %
Rate of increase in salaries	4.20 %	4.20 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.8 years	22.7 years
Females	25.2 years	25.1 years
Retiring in 20 years		
Males	25.1 years	24.9 years
Females	27.6 years	27.4 years

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015	2014
	£	£
Defined benefit obligation	(20,132,000)	(16,735,000)
Scheme assets	10,111,000	8,036,000
Deficit	(10,021,000)	(8,699,000)
Experience adjustments on scheme liabilities	87,000	(1,560,000)
Experience adjustments on scheme assets	(418,000)	160,000

30. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Trust had annual commitments under non-cancellable operating leases as follows:

	2015	2014
	£	£
EXPIRY DATE:		
Within 1 year	50,889	5,607
Between 2 and 5 years	52,609	142,698

PLYMOUTH CAST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

31. RELATED PARTY TRANSACTIONS

Owing to the nature of the 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 Trust's financial regulations and normal procurement procedures. The following related party transactions took place in the year:

During the year, purchases totalling £293,141 (2014: £142,681) for resources, services and fixed assets were made from Plymouth Roman Catholic Diocesan Trustees Registered (PRCDTR), a member of Plymouth CAST. All purchases were delivered at cost, with no element of profit. At 31 August 2015, Plymouth CAST owed PRCDTR £15,542 (2014: £25,000).

During the year, purchases for resources and services totalling £37,677 (2014: £13,368) were made from Dart Abbey Enterprises Limited, a company where a Director is also a Trustee of Plymouth CAST. All purchases were delivered at cost, with no element of profit. At 31 August 2015, Plymouth CAST owed Dart Abbey Enterprises Limited £23,061 (2014: £NIL).

32. CONTROLLING PARTY

The Trust is under the control of the Bishop of Plymouth by virtue of his ability to appoint the majority of the Board of Trustees.