Company Registration Number: **08438686** (England & Wales)

PLYMOUTH CAST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

Bishop Fleming

Chartered Accountants

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REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2017

Members	Rt Rev M O'Toole, Bishop of Plymouth Rev Msgr R Draper, Vicar General Rev J Bielawski, Vicar for Evangelisation
Trustees	Sir B G Pearse, Chair of Trustees (resigned 1 November 2016)[2] Mr B Dagnall, Trustee (resigned 28 September 2016)[2] Mr J C Mannix, Chief Executive Officer (employment ceased 11 March 2017)[1,2] Mrs F B Guppy, Trustee (resigned 9 November 2016) Mr P R Cotter, Trustee (resigned 9 November 2016) Mr G R Johnson, Trustee Mr D A Anderson, Chair of Trustees[1,2] Mrs H M Brown, Trustee (resigned 9 November 2016) Mr N Appleby, Trustee (appointed 17 October 2016, resigned 31 August 2017) Mr D J Rogerson, Trustee (appointed 17 October 2016)[2] Fr F Straw, Trustee (appointed 17 October 2016, resigned 31 January 2017)[1] Ms V Towers, Trustee (appointed 9 November 2016) Ms M C Edwards, Trustee (appointed 9 November 2016)[1] Fr M O'Keeffe, Trustee (appointed 9 November 2016) Mr P Bowe, Accounting Officer (appointed 15 December 2016, resigned 8 February 2017) Mr A Nicholls, Vice Chair (appointed 15 March 2017)[1] Mr G Briscoe, Trustee (appointed 14 September 2017)[2] Mrs K Griffin, Interim Chief Executive Officer (appointed 14 September 2017)[1] Mrs L Sprackman, Trustee (appointed 14 September 2017)[1] Mr T Stockley, Trustee (appointed 14 September 2017)[1] Fr R Meyer, Trustee (appointed 17 May 2017) [1] Finance Committee [2] Audit & Risk Committee
Company registered number	08438686
Company name	Plymouth CAST
Principal and registered office	St Boniface's House Ashburton Newton Abbot Devon TQ13 7JL
Accounting Officer	Mrs K Griffin (from 01/09/2017) Mr M Taylor (23/01/2017 to 31/08/2017) Mr P Bowe (to 22/01/2017)
Senior management team	Mr J Mannix, CEO (employment ceased 11 March 2017) Mrs K Griffin, Interim CEO (appointed 13 March 2017) Mr M Taylor, Chief Operations Officer (appointed 23 January 2017) Mr P Jones, Principal Financial Officer (appointed 1 December 2016) Mrs L Adams, Head of School Improvement (appointed 31 July 2017) Dr K Cook, Interim Chief Financial Officer (appointed 11 September 2017)

Advisers (continued)

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

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. 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 schools in Cornwall, Devon and Dorset. Its schools have a combined pupil capacity of 8,775 and had a roll of 7,406 in the school census in October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 11 March 2013 and opened on 1 April 2014. The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy 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 pages 1 to 2.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees of the Academy Trust. The limit of this indemnity is £2,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The management of the Academy 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 and funding agreement:

- 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 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.

Policies and Procedures Adopted for the Induction and Training of Trustees
Within three months of their appointment, Trustees and Governors are required to complete a skills audit, which along with identifying strengths, also identifies areas they would like to develop. This is then used to inform targeted training in specific areas.

Directors and Governors attend training sessions tailored to the needs of the schools and the Academy Trust and this day is also used to ensure all are involved in the next phase of school improvement. When a new Governor is appointed to a school, there is a formal induction checklist that must be completed including a tour of the school, meeting the key members of the Local Governing Body (LGB), reviewing the school improvement plan, etc. All Governors regularly attend the schools for focused visits linked to the schools improvement plan and develop Governors understanding of the day to day operations of the school.

Organisational Structure
The Board of Trustees normally meets six times per year. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are three committees as follows:

- Finance Committee - this meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal audit and drafting the annual budget.
- Audit & Risk Committee - this meets six times per year to monitor, evaluate and review all risks which may affect the Academy Trust.
- Personnel Committee – meets when required and is responsible for setting remuneration of HQ support staff.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, Clerk to the Trustees and to approve the Annual Development Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the individual schools to the Headteacher, Senior Management Team (SMT) and Local Governing Body (LGB). The SMT comprises the Headteacher, Deputy Headteacher, Heads of Departments and the Business Manager (dependant on the size of the Academy). The LGB implement those policies laid down by the Trustees and write and implement school particular policies. Should, in the opinion of the Board/Central Management Team, the LGB be found incapable of adequately managing the school then the devolved autonomy of the LGB is suspended and an Enhanced Monitoring Group is installed to work closely with the school to ensure that the nature of its vulnerability is fully understood and any interventions are appropriate to the nature of its problems.

The Academy 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 Academy Trust's aspirations and strategy, they are also implicitly in the organisational concept and structures. In the latter regard, 'subsidiarity' determines that within the Academy 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 LGB.

However, applied to organisational structures, 'subsidiarity'; 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 Academy 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 LGB and management team.

Mrs K Griffin is the Accounting Officer (formerly Mr M Taylor from 23 January 2017 to 31 August 2017 and Mr P Bowe for the period to 22 January 2017).

Arrangements for Setting Pay and Remuneration of Key Management Personnel
The Academy Trust currently applies the School Teachers' Pay and Conditions Document published annually by the Department of Education, as well as the locally agreed pay policy for each Local Authority that have been approved and adhered to. In addition, the Academy Trust also applies the National Living Wage, as suggested by The Living Wage Foundation, but this is implemented at the start of every new academic year, as opposed to when published.

The Academy Trust has adopted an appraisal / performance management policy. All staff, including the SMT within each school, have clear performance targets, including pupil progress. If all targets are met and clear evidence is provided the staff member receives an incremental point in line with the pay policy, authorised by the Headteacher. For experienced teachers to gain access to the Upper Threshold, in addition, a professional portfolio must be presented to the Headteacher for assessment.

Connected Organisations, including Related Party Relationships
Plymouth Roman Catholic Diocesan Trustees Registered (PRCDTR) has Trustees and Members in common with Plymouth CAST.

The transactions with PRCDTR were 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 Academy 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 leisure time 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.

Our Mission is to provide outstanding education and learning in a safe environment where Catholic values are promoted and encouraged for the benefit of all.

Vision

The Academy Trust has long held the vision that Plymouth CAST schools are where:

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

Objectives, Strategies and Activities

Detailed development plans are held by each of CAST's schools and the on-going strategic improvement of CAST's individual schools has been carried forward by their Local Governing Bodies.

Following a challenging year the Board has prioritised the strategic objectives to focus on school improvement and financial sustainability and through its business plan highlights the following key objectives:

- Improve educational achievement so that all our schools are good or better by August 2019.
- Develop leadership, management and governance structures that will support the educational and financial plans.
- To ensure a financially sustainable Roman Catholic Multi Academy Trust that can deliver defined educational outcomes efficiently and effectively and in doing so meet the requirements of the Financial Notice to Improve issued in September 2017.
- Increase capacity and confidence in CAST through effective communication and focused staff development to win hearts and minds.
- Celebrate and promote the Catholicity of our schools.

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

STRATEGIC REPORT

Achievements and Performance

This was the third full year of the Academy Trust's operation. Our headline data is presented below:

East Area

76% of children at Early Years Foundation Stage achieved a Good Level of Development, with the national at 71%. Disadvantaged pupils achieved in line with national figures.

The percentage of Year 1 children passing the phonics screening test in Plymouth CAST East was 83% which is 1% higher than last year and 2% above the national average.

At KS1, all pupils and disadvantaged pupils achieved below national figures in reading and maths, In writing, all pupils did better than their peers across the country, but disadvantaged pupils were well below at 41% compared to 68%.

At KS2, the combined score for the schools in the East Area of Plymouth CAST for reading, writing and maths at the expected level was 53% which was 1% lower than last year and well below the national average of 61%. This was much lower for disadvantaged pupils at only 42%.

All schools except St Mary's Axminster and St Joseph's Poole achieved above the national combined score for reading, writing and maths.

Eight of the twelve schools were inspected by Ofsted between September 2016 and August 2017. Four were graded good and four were judged to require improvement.

Central Area

The same percentage of pupils as last year achieved a Good Level of Development (70%). However, the national average has increased to 71% so Central Area schools are just below the national figure.

The percentage of Year 1 children passing the phonics screening test has improved to 83%, which is 2% above the national average of 81%.

At KS1, figures were broadly in line with national averages in reading, writing and maths, but disadvantaged pupils did considerably less well.

The combined score for schools in the Central CAST area for reading, writing and maths at the expected level was up 6% on last year at 55%, but is still below the national average by 6%.

Five of the twelve schools achieved above the national average for combined reading, writing and maths, with Our Lady's Barnstaple achieving the highest percentage at 79%.

Ten of the twelve schools underwent a full section 5 Ofsted inspection. Of those, three were judged to require special measures, three were judged to require improvement and four were graded as good. Once again, St Joseph's Newton Abbot was subject to a safeguarding inspection and was deemed to be safe.

West Area

In the Early Years, only 66% of pupils achieved a Good Level of Development, which is 5% below the national average.

In Year 1, all pupils and disadvantaged pupils achieved above the national percentage of 81%, with all pupils at 85% and disadvantaged at 86%.

At KS1, all pupils achieved in line with national percentages, but disadvantaged pupils were lower in all three subjects.

The combined score for reading, writing and maths combined was 54% which is up 3% on last year but 7% below the national average.

Three schools achieved above the combined national score for reading, writing and maths. The highest performing school was St Mary's Falmouth at 89%.

Ten of the twelve schools underwent a full section 5 Ofsted inspection. Of those, two were judged to require special measures, three were judged to require improvement and five were graded as good.

	NA	WEST		CENTRAL		EAST		CAST	
		ALL	PP	ALL	PP	ALL	PP	ALL	PP
GLD	71%	66%	51%	70%	61%	76%	71%	71%	61%
No at or above NA		3/10	2/10	6/12	1/7	6/10	3/7	15/32	6/22
Phonics	81%	85%	86%	83%	73%	83%	58%	84%	73%
No at or above NA		7/10	5/10	11/12	3/11	7/10	1/7	25/32	9/27
KS1 R	76%	75%	55%	77%	62%	73%	43%	75%	53%
No at or above NA		6/10	0/8	8/12	2/10	3/10	0/6	17/32	2/24
KS1 W	68%	70%	60%	68%	55%	71%	41%	69%	52%
No at or above NA		6/10	0/8	7/12	2/10	6/10	0/6	19/32	2/24
KS1 M	75%	75%	63%	74%	58%	72%	46%	74%	56%
No at or above NA		7/10	0/8	7/10	3/10	6/10	1/6	20/32	5/24
KS2 R	71%	69%	58%	71%	61%	76%	73%	72%	64%
No at or above NA		4/10	1/10	5/12	2/11	8/10	5/9	17/32	8/30
KS2 W	76%	71%	61%	65%	54%	78%	66%	72%	61%
No at or above NA		3/10	2/10	5/12	0/11	8/10	3/9	16/32	5/30
KS2 M	75%	72%	62%	72%	57%	73%	47%	72%	55%
No at or above NA		5/10	4/10	5/12	4/11	4/10	0/9	14/32	8/30
KS2 GPS	77%	77%	68%	79%	63%	78%	63%	78%	65%
No at or above NA		6/10	7/10	8/12	4/11	7/10	3/9	21/32	14/30
Combined R W M	61%	54%	42%	55%	43%	62%	53%	57%	46%
No at or above NA		3/10	2/10	5/12	4/11	8/10	2/9	16/32	8/30

Key Performance Indicators
A key financial performance indicator for an Academy Trust is the level of reserves held at the Balance Sheet date, and to that extent the management of spending against General Annual Grant (GAG) requires special attention. For the period under review, there was a £494,697 GAG deficit carried forward.

The Trust has now established a set of key performance indicators through which to monitor overall performance. These are detailed in the Business Plan prepared in response to the FNtI available on the website and include:

- Ensure all schools are good or better by August 2019

- To improve the quality of teaching and learning
- To improve pupils' outcomes for all groups
- Appoint a substantive CEO ensuring an effective handover
- Agree governance structures that are designed for the context of CAST
- Ensure that school budgets are set at no more than 97% of income by August 2020
- Ensure staffing costs are no more than 80% of income by August 2020

Going Concern
After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. The Trust is continuing to work with the ESFA to ensure that what is a challenging cash flow position is managed to ensure that cash resources are maintained for the next twelve months and beyond. Further details regarding the adoption of the going concern basis can be found in the going concern policy.

FINANCIAL REVIEW

Financial Review
This has been a challenging year financially for the Academy Trust, with a number of schools and CAST HQ moving into a deficit reserve position by the year end.

Through the budgeting and planning processes, twenty two schools and CAST HQ presented deficit budgets for 2017/18, worsening to over ninety percent of all schools presenting deficit expectations by 2018/19.

As a result of this, and following a number of external reviews relating to performance and regulatory matters, the Academy Trust self-referred to the ESFA.

The Academy Trust received a Financial Notice to Improve (FNtI) from the Department for Education in September 2017 requiring the Trust to:

- Prepare and submit an action plan setting out the steps it will take to address the issues identified by the independent reviews of governance and financial management, Pupil Premium and safeguarding. The action plan must be submitted to the ESFA no later than 20 October 2017.

- Prepare and submit a revised financial recovery plan for the Academy Trust. The plan should be externally validated by an independent expert (such as those available at the Association of School and College Leaders, the National Association of Head Teachers or the National Association of School Business Management). The plan must be submitted no later than 17 November 2017. The plan must include, as a minimum:

  - how the Academy Trust will achieve a cumulative surplus position by the end of August 2020, and each year thereafter. This must be supported by robust budget forecasts through to 2021/22 with evidence to support realistic pupil number forecasts;

  - a clear efficiency and savings plan setting out specific areas where further savings can be made to include further staffing efficiencies resulting in no more than 82% of income being spent on staffing across the Trust by September 2020, with a further reduction by September 2021.

- Implement new financial management and monitoring structures and undertake further actions to strengthen challenge in managing the budget and finances. This must include:

  - ensuring all Trustees are aware of their responsibilities as Directors under the Companies Act and as Trustees under Charity Commission guidance

  - ensuring effective processes are in place for the Trust to monitor financial performance and the financial risks to its operation. This will be exemplified in a written report to be submitted by 10 Nov 2017.

All deadlines outlined by the FNtI have been met to date.

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

During the year, The Trust has incurred a revenue fund deficit amounting to £1,545,039 as detailed in the analysis of schools by fund note 22. These figures exclude, pension liability movements, fixed asset fund movements and fund transfers.

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

At 31 August 2017 the net book value of fixed assets was £25,738,332 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 Academy Trust. The buildings owned by the Church were removed from the balance sheet in line with revised accounting practice, and the prior year amended accordingly.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 28 to the financial statements.

Financial regulations and policies are being reviewed and amended to reflect the introduction of a new finance system designed to improve Trust-wide financial management.

Reserves Policy

The Academy 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 school are ring fenced to that school. It is expected that moving forward Trustees will review the future plans of the Academy Trust and set aside designated reserves as appropriate to maintain the stable progression of the Trust.

The Academy Trust's policy is to aim to hold enough free reserves to cover one month of expenditure, approximately £3,400,000. 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). The Trust held unrestricted funds of £1,829,156 at the end of the year and cash in bank of £4,234,392.

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
All funds were held in the current bank accounts of individual schools. At any time, an individual school 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 Relationship Manager. No other form of investment is authorised.

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

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

- Financial
  The Academy Trust needs to urgently remodel its financial position in order to ensure long term sustainability in line with the FNtI. A financial recovery plan has been developed, which requires a significant level of savings to be made in order to meet the targets in the FNtI.

- Failures in governance and/or management
  The risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. Following various reviews a Business Plan has been developed for the Trust outlining actions to improve the leadership and governance of the Trust going forward.

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

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

- Staffing
  The success of the Academy Trust is reliant upon the quality of its staff, and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. The Trust recognises that the savings required to meet the FNtI will impact staffing levels and will increase the risk of losing key staff.

- Fraud and mismanagement of funds
  The Academy Trust has appointed an external body (Devon Audit Partnership) to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally twice termly. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 28 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy Trust has taken a number of steps that will impact the 2017/18 year and future periods.

The appointment of a permanent CEO is essential and the Trustees are optimistic that following a third recruitment process a new appointment will be in place early in 2018.

In response to the FNtI a full review of the financial position of the Academy Trust is underway and to drive forward the required changes in financial planning and management a permanent Chief Financial Officer will be appointed, ensuring compliance with the Academies Financial Handbook. Achieving financial improvement will be supported by the full implementation of a new finance system.

Recognising the challenges in respect of school performance, the team of school improvement officers will be increased to ensure that the strategic targets are achieved. This will be supported by continued use of the CAST-wide Target Tracker system.

The Academy Trust's Policy Drafting Group is working closely with Trade Unions to harmonise policy, including terms and conditions across the Academy Trust where variance existed between the seven former Local Authority policies.

After a market survey and due diligence the Academy Trust's Senior Management Team has elected to make better use of the inbuilt HR Management functionality of SIMS which was not being used to its full potential. Access to all Academy databases has been negotiated with Capita and the Academy Trust has purchased the Staff Appraisal and Performance module for all Academies to use. The Academy Trust is developing a common set of professional and behavioural competencies to initialise the system which will go live incrementally from January 2018.

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 Academy 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.

REVIEW OF COMPLIANCE WITH THE PROMPT PAYMENT CODE

We support the principles set out within the Prompt Payment Code (PPC): to pay suppliers on time; give clear guidance to suppliers; and encourage good practice. PPC is being increasingly adopted by public sector institutions. To evidence our support we wish to be transparent in disclosing the average time taken to pay our supplier invoices in the last financial year. The PPC encourages payment within a maximum of 60 days (in line with late payment legislation requirements) and to work towards adopting 30 days as the norm. The average time taken by the Academy Trust to pay our suppliers in 2016/17 was under 60 days and we aim to move towards 30 days, balanced with the need to manage cash flow.

TRUSTEES INDEMNITIES

There were no third party provisions within the year.

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 14 Dec 2017 and signed on the board's behalf by:

Mr D A Anderson
Chair of Trustees

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 interim 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 Statement of Trustees' responsibilities. The Board of Trustees has formally met 10 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 (resigned 1 November 2016)	1	1
Mr B Dagnall, Trustee (resigned 28 September 2016)	0	0
Mr J C Mannix, Chief Executive Officer (employment ceased 11 March 2017)	1	1
Mrs F B Guppy, Trustee (resigned 9 November 2016)	1	1
Mr P R Cotter, Trustee (resigned 9 November 2016)	1	1
Mr G R Johnson, Trustee	9	10
Mr D A Anderson, Chair of Trustees	10	10
Mrs H M Brown, Trustee (resigned 9 November 2016)	1	1
Mr N Appleby, Trustee (resigned 31 August 2017)	8	10
Mr D J Rogerson, Trustee	8	10
Fr F Straw, Trustee (resigned 31 January 2017)	4	4
Ms V Towers, Trustee	5	9
Ms M C Edwards, Trustee	8	9
Fr M O'Keeffe, Trustee	9	9
Mr P Bowe, Accounting Officer (resigned 8 February 2017)	0	1
Mr A Nicholls, Vice Chair	5	5
Fr R Meyer, Trustee	1	3

During the year an independent governance review was undertaken and a detailed action plan developed to ensure that improvements are achieved. This has been further developed in the Business Plan, which has a section on Leadership and Governance, with 10 specific success criteria. This is available on the website. In addition the Board has been supported by an Enhanced Support Group since October 2017.

The **Finance Committee** is a committee of the Board which consists of no fewer than three members including 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 six times a year, 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:

Committee member	Meetings attended	Out of a possible
Mr D A Anderson, Chair of Trustees	6	7
Fr Francis Straw, Trustee (resigned 31 January 2017)	2	2
Mr A Nicholls, Vice Chair	3	3
Ms M C Edwards, Trustee	4	4
Mrs K Griffin, Interim Chief Executive Officer	2	3
Sir B G Pearse, Chair of Trustees (resigned 1 November 2016)	1	1
Mr J C Mannix, Chief Executive Officer (employment ceased 11 March 2017)	1	1

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 the Accounting Officer, Chief Financial Officer and Finance Manager from CAST Central support as attendees. The committee meets at least six times a year 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 Academy 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:

Committee member	Meetings attended	Out of a possible
Mr D A Anderson, Chair of Trustees	5	6
Mr D J Rogerson, Trustee	4	5
Sir B G Pearse, Chair of Trustees (resigned 1 November 2016)	1	1
Mr B Dagnall, Trustee (resigned 28 September 2016)	1	1
Mr J C Mannix, Chief Executive Officer (employment ceased 11 March 2017)	1	1

REVIEW OF VALUE FOR MONEY

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

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

- continued conversations with ChurchMarketPlace and YPO to review procurement in the following areas: Energy, Catering, Reprographics, IT and Telecoms.
- reviewing the costs of the locally purchased SLAs for administrative support and deploying centrally employed staff, to deliver greater value for a similar, or lessor, cost.
- developing the finance infrastructure so that schools are supported by Area Finance Support Officers, meaning that key issues are more easily identified.

- implementing a contract with a call centre to provide the schools with one place to report compliance issues, emergency repairs and discuss planned maintenance. This allows the MAT to receive an economy of scale due to the call centre using a pool of recognised contractors, but it also saves each of the schools the hidden cost of wasted time, as they do not have to contact a number of suppliers for quotes as this is prepared by the call centre.

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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Plymouth CAST for the year 1 September 2016 to 31 August 2017 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 Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 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 Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance 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 (DAP) as internal auditor.

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

Visits to nine schools and CAST HQ during 2016/17, focusing on financial compliance, risk, personnel files and asset management. Over seventy specific issues were raised across the audits and a combined action plan is in place addressing these matters. As at the year-end nine matters remain outstanding.

In addition the Trust commissioned Bishop Fleming to undertake a Finance and Governance Review during the year, which raised significant concerns with respect to compliance. The response to this report has been regularly reported on to the Audit Committee and the ESFA.

The internal auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

The interim 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 Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the 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 13th Dec 2017 and signed on its behalf, by

Mr D A Anderson
Chair of Trustees

Mrs K Griffin
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Plymouth CAST I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

The Academy Trust has been through a significant period of change in the current year following an Ofsted focused review in October 2016. Ultimately this has resulted in changes of CEO, Accounting Officer and Chair of Trustees. From October 2016 to 31st March 2017, the management of the Trust was fulfilled by a combination of external consultants reporting to the Chair of Trustees.

I was appointed interim CEO from 1 April 2017 pending recruitment of a permanent CEO. On 1 September 2017, I became employed by the Diocese of Plymouth and my services as Interim CEO were procured through a Service Level Agreement with Plymouth CAST in order to comply with the Academies Financial Handbook. I am hopeful that the Trust will be able to announce the appointment of a permanent CEO for the New Year.

A full governance review was commissioned in May 2017 and a detailed action plan prepared. This has been reviewed by the ESFA and subsequently updated.

The previous Accounting Officer notified the ESFA in June 2017 of the likelihood of setting an in year deficit position for 17/18 and of future potential financial deficits. The Academy Trust was not predicting a cumulative deficit at 31 August 2018 but was seeking advice on future financial concerns.

Following the submission of a five year forecast the ESFA issued a Financial Notice to Improve (FNtI) on 22 September 2017.

The first two conditions of the FNtI have been fully addressed. The Academy Trust is still in the process of implementing new financial management and monitoring structures. New accounting software was in place from 1 September 2017 but further actions are in progress to strengthen the management of the budget and finances.

To date, the Academy Trust has met all deadlines in the FNtI.

During the year, a significant instance of irregularity was uncovered relating to a contract entered into by St Boniface with Construction Training South West and its associated partners to provide offsite post 16 vocational education. In procuring the contract, which has a value of £360,000, St Boniface, and therefore the Academy Trust, did not act within its own delegated authorities nor did it complete sufficient tendering procedures.

A number of other less significant instances have also been identified during the year where procurement procedures have not been followed, including entering into two finance leases without seeking prior ESFA approval.

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE (continued)

The Academy Trust has taken steps to further strengthen its controls over procurement to ensure such instances cannot be repeated. A communication has been issued to all Headteachers and Local Governing Bodies within the Academy Trust to reaffirm the delegated authority limits and confirm the framework within which the Academy Trust requires each Academy to operate. In addition, the new finance system which went live on 1 September 2017, requires far more formal approval procedures for spend and has already enabled far greater oversight of the spends occurring at Academy level by the central finance team.

Mrs K Griffin
Accounting Officer

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2017

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

Mr D A Anderson
Chair of Trustees

Date: 13th Dec 2017

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PLYMOUTH CAST

OPINION

We have audited the financial statements of Plymouth CAST for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills 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 Academy Trust's 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 Academy Trust and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1.2 in the financial statements, which indicates that the Academy Trust incurred a revenue deficit of £1,545,039 (excluding pension and fixed asset movements and transfers) during the year ended 31 August 2017 and, as of that date, the Academy Trust's free reserves are £1,217,337. As stated in note 1.2, these events or conditions, along with the other matters as set forth in the note 1.2 indicate that a material uncertainty exists that may cast significant doubt on the Academy Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PLYMOUTH CAST

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report (incorporating the Strategic Report and the Directors' Report) for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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. and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PLYMOUTH CAST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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: 21/12/2017

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

In accordance with the terms of our engagement letter dated 1 July 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, 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 2016 to 31 August 2017 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 the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Plymouth CAST and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Plymouth CAST and the ESFA, 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 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the 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.

CONCLUSION

In the course of our work, except for the matters listed in the Accounting Officer's Statement on Regularity, Propriety and Compliance, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

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: 21/12/2017

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	2,657,163	49,278	2,706,441	2,287,453
Charitable activities	3	1,974,632	37,719,943	-	39,694,575	38,912,338
Other trading activities	4	98,177	-	-	98,177	106,269
Investments	5	7,799	-	-	7,799	9,302
Other income	6	-	1,132,685	-	1,132,685	1,564,004
TOTAL INCOME		2,080,608	41,509,791	49,278	43,639,677	42,879,366
EXPENDITURE ON:						
Raising funds		34,519	-	-	34,519	32,036
Charitable activities		1,226,696	44,707,484	980,444	46,914,624	43,498,942
Other expenditure	10	-	1,309,885	-	1,309,885	1,356,834
TOTAL EXPENDITURE	7	1,261,215	46,017,369	980,444	48,259,028	44,887,812
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		819,393	(4,507,578)	(931,166)	(4,619,351)	(2,008,446)
Transfers between Funds	22	(1,398,735)	500,254	898,481	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(579,342)	(4,007,324)	(32,685)	(4,619,351)	(2,008,446)
Actuarial gains/(losses) on defined benefit pension schemes	28	-	2,647,000	-	2,647,000	(8,033,000)
NET MOVEMENT IN FUNDS		(579,342)	(1,360,324)	(32,685)	(1,972,351)	(10,041,446)
RECONCILIATION OF FUNDS:						
Total funds brought forward		2,408,498	(17,122,093)	25,811,675	11,098,080	72,356,572
Prior year adjustment (Note 21)		-	-	-	-	(51,217,046)
TOTAL FUNDS CARRIED FORWARD		1,829,156	(18,482,417)	25,778,990	9,125,729	11,098,080

The notes on pages 29 to 59 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	As restated 2016 £
FIXED ASSETS					
Tangible assets	16		**25,738,332**		25,806,725
CURRENT ASSETS					
Debtors	17	**1,497,245**		1,919,837	
Cash at bank and in hand		**4,234,392**		5,517,373	
		5,731,637		7,437,210	
CREDITORS: amounts falling due within one year	18	**(3,472,240)**		(2,741,287)	
NET CURRENT ASSETS			**2,259,397**		4,695,923
TOTAL ASSETS LESS CURRENT LIABILITIES			**27,997,729**		30,502,648
CREDITORS: amounts falling due after more than one year	19		**-**		(111,568)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			**27,997,729**		30,391,080
Defined benefit pension scheme liability	28		**(18,872,000)**		(19,293,000)
NET ASSETS			**9,125,729**		11,098,080
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	22	**389,583**		2,170,907	
Fixed asset funds	22	**25,778,990**		25,811,675	
Restricted funds excluding pension reserve		**26,168,573**		27,982,582	
Pension reserve		**(18,872,000)**		(19,293,000)	
Total restricted funds			**7,296,573**		8,689,582
Unrestricted funds	22		**1,829,156**		2,408,498
TOTAL FUNDS			**9,125,729**		11,098,080

The financial statements on pages 26 to 59 were approved by the Trustees, and authorised for issue, on 13/12/2017 and are signed on their behalf, by:

Mr D A Anderson
Chair of Trustees

The notes on pages 29 to 59 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	As restated 2016 £
Cash flows from operating activities			
Net cash used in operating activities	24	**(1,581,460)**	(1,941,421)
Cash flows from investing activities:			
Dividends, interest and rents from investments		**7,799**	9,302
Proceeds from the sale of tangible fixed assets		**1,500**	-
Purchase of tangible fixed assets		**(892,303)**	(586,443)
Capital grants from DfE/ESFA and other bodies		**1,181,483**	1,835,568
Net cash provided by investing activities		**298,479**	1,258,427
Change in cash and cash equivalents in the year		**(1,282,981)**	(682,994)
Cash and cash equivalents brought forward		**5,517,373**	6,200,367
Cash and cash equivalents carried forward	25	**4,234,392**	5,517,373

The notes on pages 29 to 59 form part of these financial statements.

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. Plymouth CAST constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Academy Trust incurred a revenue deficit of £1,545,039 (excluding pension and fixed asset movements and transfers) during the year ended 31 August 2017 and, as of that date, the Academy Trust's free reserves are £1,217,337. The Trust is currently remodelling its financial plans to ensure sustainability going forward following self-referral to ESFA, and in line with the developing recovery plan they have agreed to continue to adopt the going concern basis of accounting in preparing the financial statements.

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All expenditure is inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these 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

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.

Where the Academy Trust has been granted use of school buildings from the Plymouth Roman Catholic Diocesan Trustees Registered under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the depreciation which would have been charged had the buildings remained on the Academy Trust's Balance Sheet.

This approach differs to the 2016 accounts where the risks and rewards were deemed with the Academy Trust under the ESFA guidance, hence a prior year adjustment has been made to remove these assets (see note 21) The Supplemental Agreement includes the right for the Plymouth Diocese Trustees to give not less than 2 years written notice to the Academy 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.

1.6 DEBTORS

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

1.7 CASH AT BANK AND IN HAND

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

1. ACCOUNTING POLICIES (continued)

1.8 LIABILITIES AND PROVISIONS

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

1.9 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.10 TAXATION

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

1.11 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1. ACCOUNTING POLICIES (continued)

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

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

1.12 FUND ACCOUNTING

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

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

1. ACCOUNTING POLICIES (continued)

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

1.14 OPERATING LEASES

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

1.15 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy 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 33.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
Donations	-	**2,657,163**	**480**	**2,657,643**	2,252,850
Capital Grants	-	-	**48,798**	**48,798**	34,603
	-	**2,657,163**	**49,278**	**2,706,441**	2,287,453
Total 2016	-	2,252,740	34,713	2,287,453	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Education	**556,520**	**37,627,465**	**38,183,985**	37,483,941
Nursery	**1,418,112**	**92,478**	**1,510,590**	1,428,397
	1,974,632	**37,719,943**	**39,694,575**	38,912,338
Total 2016	1,987,723	36,924,615	38,912,338	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
DFC	**-**	**237,847**	**237,847**	236,961
General Annual Grant	**-**	**32,414,251**	**32,414,251**	31,794,567
Other DfE/ESFA grants	**-**	**3,222,375**	**3,222,375**	3,400,554
	-	**35,874,473**	**35,874,473**	35,432,082
Other government grants				
High Needs	**-**	**1,400,815**	**1,400,815**	1,184,862
Other government grants non capital	**-**	**210,313**	**210,313**	132,741
	-	**1,611,128**	**1,611,128**	1,317,603
Other funding				
Internal catering income	**437,748**	**-**	**437,748**	421,463
Sales to students	**36,944**	**-**	**36,944**	51,770
Other	**81,828**	**141,864**	**223,692**	261,023
	556,520	**141,864**	**698,384**	734,256
	556,520	**37,627,465**	**38,183,985**	37,483,941
Total 2016	581,860	36,902,081	37,483,941	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	**65,797**	**-**	**65,797**	79,580
External Catering	**22,091**	**-**	**22,091**	20,730
Other	**10,289**	**-**	**10,289**	5,959
	98,177	**-**	**98,177**	106,269
Total 2016	106,269	-	106,269	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	**7,799**	**-**	**7,799**	9,302
Total 2016	9,302	-	9,302	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
Donations from non-charitable activities	**-**	**1,132,685**	**1,132,685**	1,564,004
	-	**1,132,685**	**1,132,685**	1,564,004
Total 2016	-	1,564,004	1,564,004	

Donations received from non-charitable activities represent capital funding received which has been used to fund improvements to Diocesan property occupied by the Academy Trust.

7. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	As restated Total 2016 £
Expenditure on fundraising trading	**7,546**	**-**	**26,973**	**34,519**	32,036
Education:					
Direct costs	**26,129,562**	**797,309**	**5,609,252**	**32,536,123**	30,614,138
Support costs	**6,609,960**	**5,013,834**	**1,804,479**	**13,428,273**	12,047,733
Nursery:					
Direct costs	**358,087**	**19,606**	**65,173**	**442,866**	404,199
Support costs	**317,721**	**88,328**	**101,313**	**507,362**	432,873
	33,422,876	**5,919,077**	**7,607,190**	**46,949,143**	43,530,979
Total 2016	31,864,939	4,758,921	6,907,119	43,530,979	

8. DIRECT COSTS

	Education £	Nursery £	Total 2017 £	As restated Total 2016 £
Pension finance costs	**313,000**	**-**	**313,000**	285,883
Educational supplies	**2,063,229**	**52,095**	**2,115,324**	1,679,995
Examination fees	**140,544**	**-**	**140,544**	149,719
Staff development	**349,434**	**11,568**	**361,002**	407,564
Other costs	**740,514**	**-**	**740,514**	601,025
Supply teachers	**667,506**	**1,510**	**669,016**	483,389
Wages and salaries	**20,889,289**	**293,003**	**21,182,292**	21,110,258
National insurance	**1,760,979**	**17,106**	**1,778,085**	1,518,409
Pension cost	**4,814,319**	**47,978**	**4,862,297**	4,045,757
Depreciation	**797,309**	**19,606**	**816,915**	736,337
	32,536,123	**442,866**	**32,978,989**	31,018,336
Total 2016	30,614,138	404,198	31,018,336	

9. SUPPORT COSTS

	Education £	Nursery £	Total 2017 £	As restated Total 2016 £
Pension finance costs	**103,000**	**-**	**103,000**	94,117
Educational supplies	**12,192**	**-**	**12,192**	13,716
Other costs	**37,379**	**31,235**	**68,614**	61,194
Recruitment and support	**304,518**	**4,697**	**309,215**	240,987
Maintenance of premises and equipment	**591,575**	**26,313**	**617,888**	585,963
Cleaning	**524,266**	**30,521**	**554,787**	559,488
Rent and rates	**2,268,429**	**9,391**	**2,277,820**	2,078,007
Energy costs	**474,141**	**16,869**	**491,010**	534,652
Insurance	**380,377**	**19,666**	**400,043**	352,835
Security and transport	**115,593**	**3,246**	**118,839**	136,849
Catering	**1,420,639**	**18,121**	**1,438,760**	1,393,272
Technology costs	**-**	**862**	**862**	1,731
Office overheads	**683,466**	**23,979**	**707,445**	633,171
Legal and professional	**222,848**	**220**	**223,068**	74,795
Bank interest and charges	**3,526**	**618**	**4,144**	4,051
Educational Consultancy	**671,033**	**-**	**671,033**	766,977
Governance	**211,322**	**-**	**211,322**	121,455
Wages and salaries	**3,935,589**	**264,029**	**4,199,618**	3,731,242
National insurance	**241,679**	**11,337**	**253,016**	167,886
Pension cost	**1,072,617**	**42,355**	**1,114,972**	800,593
Depreciation	**154,084**	**3,903**	**157,987**	127,625
	13,428,273	**507,362**	**13,935,635**	12,480,606
Total 2016	12,047,733	432,873	12,480,606	

10. OTHER EXPENDITURE

	Restricted funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
Improvements to Diocesan property occupied by the Academy Trust	**1,309,885**	**1,309,885**	1,356,834
Total 2016	1,356,834	1,356,834	

11. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	As restated 2016 £
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	**974,902**	863,962
Auditors' remuneration - audit	**22,650**	19,250
Auditors' remuneration - other services	**164,110**	30,600
Internal audit costs	**8,980**	8,065
Operating lease rentals	**138,599**	124,067

12. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	**24,623,580**	24,280,996
Social security costs	**2,031,384**	1,686,744
Operating costs of defined benefit pension schemes	**5,978,183**	4,847,208
	32,633,147	30,814,948
Apprenticeship levy	**46,753**	-
Supply teacher costs	**667,506**	518,202
Other costs (payroll staff restructuring)	**50,420**	48,400
Other costs (non-payroll agency supply and staff restructuring)	**25,050**	483,389
	33,422,876	31,864,939

Staff restructuring costs comprise:

	2017 £	2016 £
Redundancy payments	**12,306**	-
Severance payments	**63,164**	48,400
	75,470	48,400

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £63,164 (2016: £48,400). Individually, the payments were £25,000, £13,500, £12,000, £9,564 and £3,100 (2016: £37,100, £8,500 and £2,800).

12. STAFF COSTS (continued)

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

	2017 No.	2016 No.
Teachers	**390**	422
Educational Support	**952**	951
Administration & Clerical	**230**	229
Management	**107**	112
	1,679	1,714

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teachers	**334**	339
Educational Support	**374**	362
Administration & Clerical	**120**	114
Management	**101**	98
	929	913

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	**8**	7
In the band £70,001 - £80,000	**2**	5
In the band £80,001 - £90,000	**3**	2
In the band £110,001 - £120,000	**1**	0

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustee) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer National Insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy Trust was £323,395 (2016: £345,714).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in Note 14 has not been included in the total benefits received by key management personnel above.

13. CENTRAL SERVICES

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

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

The Academy 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 ESFA when the Academy Trust was established.

The actual amounts charged during the year were as follows:

	2017	2016
	£	£
Christ the King CPS	**45,084**	45,360
St Mary's CPS, Bodmin	**30,516**	30,660
St John's CPS, Camborne	**21,984**	20,436
St Mary's CPS, Falmouth	**30,516**	31,080
St Mary's CPS, Penzance	**23,244**	22,116
Our Lady's CPS	**26,460**	24,780
Our Lady and St Patrick's CPS	**27,720**	28,284
St John's CPS, Tiverton	**26,880**	25,200
St John the Baptist CPS	**11,904**	9,516
St Joseph's CPS, Exmouth	**28,560**	28,980
St Joseph's CPS, Newton Abbot	**23,244**	21,420
St Mary's CPS, Axminster	**16,524**	18,204
St Mary's CPS, Buckfast	**10,356**	10,080
St Nicholas CPS	**43,116**	42,276
St Augustine's CPS	**28,980**	28,284
St Catherine's CPS, Wimborne	**25,896**	24,780
St Catherine's CPS, Bridport	**27,300**	26,604
St Mary's CPS, Marnhull	**8,544**	8,544
St Mary's Catholic First School	**21,276**	20,856
St Mary's CPS, Swanage	**23,376**	23,244
St Mary & St Joseph's CPS	**21,696**	20,304
Holy Cross CPS	**35,136**	33,036
Keyham Barton CPS	**26,460**	26,880
Priory CPS	**28,284**	27,996
Queensway CPS	**27,576**	27,024
Sacred Heart CPS	**29,676**	29,124
Notre Dame RC School	**109,200**	112,560
St Boniface's RC College	**89,460**	91,284
St Joseph's CPS, Devonport	**22,404**	21,420
St Margaret Clitherow CPS	**16,800**	17,364
St Paul's CPS	**25,476**	26,184
St Peter's CPS	**24,360**	24,216
The Cathedral of St Mary	**15,684**	15,264
St Joseph's CPS, Poole	**52,356**	47,460
St Mary's CPS, Poole	**58,656**	59,220
Total	**1,084,704**	1,070,040

14. TRUSTEES' REMUNERATION AND EXPENSES

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

		2017	2016
		£	£
Mr J C Mannix, Accounting Officer	Remuneration	**55,000-60,000**	80,000-85,000
	Pension contributions paid	**5,000-10,000**	10,000-15,000
Mr P R Cotter, Trustee	Remuneration	**10,000-15,000**	65,000-70,000
	Pension contributions paid	**0-5,000**	10,000-15,000
Mrs H M Brown, Trustee	Remuneration	**5,000-10,000**	50,000-55,000
	Pension contributions paid	**0-5,000**	5,000-10,000
Mrs F B Guppy, Trustee	Remuneration	**10,000-15,000**	50,000-55,000
	Pension contributions paid	**0-5,000**	5,000-10,000

During the year, no Trustees received any benefits in kind (2016: £NIL).
During the year ended 31 August 2017, expenses totalling £9,449 (2016: £3,580) were reimbursed to 7 Trustees (2016: 3).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2017 was £7,373 (2016: £7,407).

16. TANGIBLE FIXED ASSETS

	Freehold property £	Long term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST						
At 1 September 2016 (as previously stated)	**50,000**	**82,314,264**	**32,737**	**1,045,892**	**888,082**	**84,330,975**
Prior year adjustment	**-**	**(56,655,644)**	**-**	**-**	**-**	**(56,655,644)**
At 1 September 2016 (as restated)	**50,000**	**25,658,620**	**32,737**	**1,045,892**	**888,082**	**27,675,331**
Additions	**-**	**305,164**	**-**	**485,731**	**121,156**	**912,051**
Disposals	**-**	**-**	**(10,998)**	**-**	**-**	**(10,998)**
At 31 August 2017	**50,000**	**25,963,784**	**21,739**	**1,531,623**	**1,009,238**	**28,576,384**
DEPRECIATION						
At 1 September 2016 (as previously stated)	**-**	**4,673,180**	**15,152**	**431,263**	**625,450**	**5,745,045**
Prior year adjustment	**-**	**(3,876,439)**	**-**	**-**	**-**	**(3,876,439)**
At 1 September 2016 (as restated)	**-**	**796,741**	**15,152**	**431,263**	**625,450**	**1,868,606**
Charge for the year	**-**	**419,841**	**3,011**	**306,327**	**245,723**	**974,902**
On disposals	**-**	**-**	**(5,456)**	**-**	**-**	**(5,456)**
At 31 August 2017	**-**	**1,216,582**	**12,707**	**737,590**	**871,173**	**2,838,052**
NET BOOK VALUE						
At 31 August 2017	**50,000**	**24,747,202**	**9,032**	**794,033**	**138,065**	**25,738,332**
At 31 August 2016 (as restated)	50,000	24,861,879	17,585	614,629	262,632	25,806,725

17. DEBTORS

	2017 £	2016 £
Trade debtors	**79,005**	220,677
VAT recoverable	**339,203**	223,519
Other debtors	**3,150**	3,150
Prepayments and accrued income	**1,075,887**	1,472,491
	1,497,245	1,919,837

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	**1,185,424**	730,736
Other taxation and social security	**1,018,638**	974,164
Abatement of GAG	**111,568**	111,470
Other creditors	**95,715**	28,783
Accruals and deferred income	**1,060,895**	896,134
	3,472,240	2,741,287

	2017 £	2016 £
DEFERRED INCOME		
Deferred income at 1 September 2016	**586,021**	713,898
Resources deferred during the year	**642,196**	586,021
Amounts released from previous years	**(586,021)**	(713,898)
Deferred income at 31 August 2017	**642,196**	586,021

At the balance sheet date the Academy Trust was holding funds received in advance for funding relating to the 2017/18 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

	2017 £	2016 £
Abatement of GAG	-	111,568

20. FINANCIAL INSTRUMENTS

	2017 £	As restated 2016 £
Financial assets measured at amortised cost	**4,885,962**	6,837,374
Financial liabilities measured at amortised cost	**1,811,407**	1,181,103

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

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

21. PRIOR YEAR ADJUSTMENT

	As per prior year signed accounts	Prior year adjustment	Restated amount	As per prior year signed accounts	Prior year adjustment	Restated amount
	As at 31 August 2016 £	As at 31 August 2016 £	As at 31 August 2016 £	As at 1 September 2015 £	As at 1 September 2015 £	As at 1 September 2015 £
TANGIBLE FIXED ASSETS						
Land and buildings cost	82,314,264	(56,655,644)	25,658,620	78,803,872	(53,352,376)	25,451,496
Land and buildings accumulated depreciation	(4,673,180)	3,876,439	(796,741)	(2,573,265)	2,135,331	(437,934)
	77,641,084	**(52,779,205)**	**24,861,879**	**76,230,607**	**(51,217,045)**	**25,013,562**
RESTRICTED FUNDS						
Restricted Funds	(18,156,445)	1,034,352	(17,122,093)	(9,914,824)	865,179	(9,049,645)
	(18,156,445)	**1,034,352**	**(17,122,093)**	**(9,914,824)**	**865,179**	**(9,049,645)**
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	73,110,149	(48,432,272)	(24,677,877)	73,271,093	(47,948,805)	25,322,288
Fixed assets purchased from GAG and other restricted funds	6,515,083	(5,381,285)	1,133,798	4,902,411	(4,133,418)	768,993
	79,625,232	**(53,813,557)**	**25,811,675**	**78,173,504**	**(52,082,223)**	**26,091,281**

Following a change in the guidance contained in the Academies Accounts Direction (AAD) 2016 to 2017 the Trustees have assesed that, the terms of the Church Supplemental Agreements between the Trust and the Plymouth Roman Catholic Dicoesan Trustees Registered pertaining to land and buildings occupied by the Trust are such that the Trust does not have control over these assets. The land and buildings therefore no longer meet the criteria for recognition as an asset in the financial statements.

The land and buildings donated on conversion of £50,041,000 have therefore been de-recognised from the date of conversion. Additions since conversion relating to land and buildings totalling £4,668,211 have been recognised as an expense through restricted funds. Depreciation in respect of these assets totalling £3,876,439 has been reversed in the Statement of Financial Activities. As a result SCA funding of £1,034,352 has been reclassfied to restricted funds from restricted fixed asset funds.

In accordance with the AAD 2016 to 2017, an estimate of the rental value of the Church land and buildings has been recognised in the Statement of Financial Activities as a donation and as expenditure. The annual rent of £1,853,478 (2016: £1,741,108) has been estimated as the equivalent of the annual depreciation charge on the value of the land and buildings.

PRIOR YEAR ADJUSTMENT (continued)

The effect on net movement in funds for 2016 is £1,562,158 being £1,741,108 of notional rent donation, £1,356,834 improvements to Diocese property and £1,946,433 which represents the value of land and buildings previously recognised as a transfer to Holy Cross CPS from the Local Authority. Due to the change as described above, this amount has been excluded from the financial statements as it represents a direct transfer from the Local Authority to the Diocese.

22. STATEMENT OF FUNDS

	Brought forward As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
UNRESTRICTED FUNDS						
General funds	2,408,498	2,080,608	(1,261,215)	(1,398,735)	-	1,829,156
RESTRICTED FUNDS						
General Annual Grant (GAG)	851,431	32,414,251	(34,956,593)	1,196,214	-	(494,697)
High Needs	-	1,493,293	(1,493,293)	-	-	-
Devolved formula capital	242,861	237,847	-	-	-	480,708
Other DfE/ESFA grants	256,074	3,222,375	(3,191,262)	-	-	287,187
Other government grants	-	210,313	(210,313)	-	-	-
Other	-	2,799,027	(2,792,113)	(6,914)	-	-
Non-charitable donations	1,049,133	1,132,685	(1,259,265)	(689,046)	-	233,507
Deficit transferred on conversion from Local Authority	(228,592)	-	111,470	-	-	(117,122)
Pension reserve	(19,293,000)	-	(2,226,000)	-	2,647,000	(18,872,000)
	(17,122,093)	41,509,791	(46,017,369)	500,254	2,647,000	(18,482,417)

RESTRICTED FIXED ASSET FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion and in year	24,677,877	-	(556,364)	-	-	24,121,513
Fixed assets purchased from GAG	590,298	-	(239,014)	209,435	-	560,719
DfE/ESFA Capital grants	321,490	-	(160,214)	689,046	-	850,322
Local Authority Capital grants	167,480	-	(11,010)	-	-	156,470
Other	54,530	49,278	(13,842)	-	-	89,966
	25,811,675	49,278	(980,444)	898,481	-	25,778,990
Total restricted funds	8,689,582	41,559,069	(46,997,813)	1,398,735	2,647,000	7,296,573
Total of funds	11,098,080	43,639,677	(48,259,028)	-	2,647,000	9,125,729

22. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As at 31 August 2016 (as restated) £
UNRESTRICTED FUNDS						
General funds	4,097,892	2,103,294	(1,122,008)	(2,670,680)	-	2,408,498
	4,097,892	2,103,294	(1,122,008)	(2,670,680)	-	2,408,498
RESTRICTED FUNDS						
General Annual Grant (GAG)	253,324	31,794,567	(33,488,600)	2,292,140	-	851,431
High Needs	-	1,198,675	(1,198,675)	-	-	-
Devolved formula capital	20,679	236,961	-	(14,779)	-	242,861
Other DfE/ESFA grants	172,136	3,409,275	(3,325,339)	-	-	256,072
Non-charitable donations	865,179	1,564,004	(1,223,726)	(156,324)	-	1,049,133
Other government grants	-	132,741	(132,741)	-	-	-
Other	-	2,405,136	(2,405,136)	-	-	-
Deficit transferred on conversion from Local Authority	(339,963)	-	111,373	-	-	(228,590)
Pension reserve	(10,021,000)	-	(1,239,000)	-	(8,033,000)	(19,293,000)
	(9,049,645)	40,741,359	(42,901,844)	2,121,037	(8,033,000)	(17,122,093)

RESTRICTED FIXED ASSET FUNDS

	Brought forward (as restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As at 31 August 2016 (as restated) £
Fixed assets transferred on conversion and in year	25,322,288	-	(644,411)	-	-	24,677,877
Fixed assets purchased from GAG	342,630	-	(130,873)	378,542	-	590,299
DfE/ESFA Capital grants	219,125	-	(67,237)	169,601	-	321,489
Local Authority Capital grants	176,992	-	(11,012)	1,500	-	167,480
Other	30,246	34,713	(10,429)	-	-	54,530
	26,091,281	34,713	(863,962)	549,643	-	25,811,675
Total restricted funds	17,041,636	40,776,072	(43,765,806)	2,670,680	(8,033,000)	8,689,582
Total of funds	21,139,528	42,879,366	(44,887,814)	-	(8,033,000)	11,098,080

22. STATEMENT OF FUNDS (continued)

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

Restricted Funds

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

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

Devolved formula capital
This represents funding from the ESFA to cover the maintenance and purchase of the Academy Trust's assets.

Other DfE/ESFA grants
This represents funding for Pupil Premium (for children that qualify for free school meals to enable the Academy 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 Grant (to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles) 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.

Non-charitable donations
This represents capital funding used for improvements to Diocesan property occupied by the Academy Trust.

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 Academy 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 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.

22. STATEMENT OF FUNDS (continued)

DfE/ESFA capital grants
This represents the Trust's DFC, ACMF, UIFSM and SCA funding allocations from the ESFA to fund the purchase and maintenance of Trust 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.

Transfers

During the year, £1,398,735 was transferred from Unrestricted funds to Restricted funds - General Annual Grant (GAG) to account for in year GAG deficits. £209,435 was transferred from Restricted funds - GAG to Restricted Fixed Asset funds to reflect fixed assets purchased using GAG. £689,046 was transferred from Restricted funds - Non-charitable donations to Restricted Fixed Asset funds to reflect fixed assets purchased using Non-charitable donations.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

22. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	As restated Total 2016 £
Christ the King CPS	**150,436**	128,850
St Mary's CPS, Bodmin	**158,723**	81,499
St John's CPS, Camborne	**61,949**	59,662
St Mary's CPS, Falmouth	**85,813**	177,073
St Mary's CPS, Penzance	**4,458**	48,314
Our Lady's CPS	**141,820**	54,722
Our Lady and St Patrick's CPS	**40,137**	62,487
St John's CPS, Tiverton	**24,489**	83,035
St John the Baptist CPS	**21,643**	38,770
St Joseph's CPS, Exmouth	**110,961**	63,193
St Joseph's CPS, Newton Abbot	**(219,190)**	(53,805)
St Mary's CPS, Axminster	**(55,669)**	4,335
St Mary's CPS, Buckfast	**-**	-
St Nicholas CPS	**87,489**	69,268
St Augustine's CPS	**(19,417)**	41,757
St Catherine's CPS, Wimborne	**105,006**	96,486
St Catherine's CPS, Bridport	**(17,461)**	-
St Mary's CPS, Marnhull	**3,416**	7,474
St Mary's Catholic First School	**40,795**	82,472
St Mary's CPS, Swanage	**30,358**	67,483
St Mary & St Joseph's CPS	**55,432**	50,955
Holy Cross CPS	**74,594**	113,319
Keyham Barton CPS	**102,871**	126,954
Priory CPS	**201,158**	207,221
Queensway CPS	**36,663**	28,332
Sacred Heart CPS	**(15,717)**	32,703
Notre Dame RC School	**580,274**	595,378
St Boniface's RC College - Deficit on conversion	**(111,568)**	(223,038)
St Boniface's RC College	**(401,139)**	(402,723)
St Joseph's CPS, Devonport	**43,903**	45,079
St Margaret Clitherow CPS	**(65,642)**	94,939
St Paul's CPS	**79,531**	89,691
St Peter's CPS	**60,810**	72,081
The Cathedral of St Mary	**158,900**	161,067
St Joseph's CPS, Poole	**(1,906)**	30,525
St Mary's CPS, Poole	**533,743**	587,356
Orchard Nursery	**225,215**	191,281
Plymouth CAST Central	**(327,647)**	616,075
Plymouth CAST Central - Capital funds held in restricted	**178,815**	1,033,374
St Mary's CPS, Falmouth - Capital funds held in restricted	**38,933**	-
Holy Cross CPS - Capital funds held in restricted	**15,760**	15,760
Total before fixed asset fund and pension reserve	**2,218,739**	4,579,404
Restricted fixed asset fund	**25,778,990**	25,811,675
Pension reserve	**(18,872,000)**	(19,293,000)
Total	**9,125,729**	11,098,079

22. STATEMENT OF FUNDS (continued)

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

Name of academy	Amount of deficit £
St Joseph's CPS, Newton Abbot	**(219,190)**
St Mary's CPS, Axminster	**(55,669)**
St Augustine's CPS	**(19,417)**
St Catherine's CPS, Bridport	**(17,461)**
Sacred Heart CPS	**(15,717)**
St Boniface's RC College	**(512,707)**
St Margaret Clitherow CPS	**(65,642)**
St Joseph's CPS Poole	**(1,906)**
Plymouth CAST Central	**(327,647)**

The Academy Trust is undertaking a full financial review to ensure that all schools and the Central budget centre return to a positive reserve position over an agreed period. This is part of the overall Academy Trust financial recovery plan, returned to the ESFA in line with the Financial Notice to Improve. Further details can be found in the Trustee's report.

22. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy during the year (excluding pension liability expenditure) was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat-ion £	Total 2017 £	As restated Total 2016 £
Christ the King CPS	**1,226,880**	**223,792**	**62,170**	**234,839**	**1,747,681**	1,753,942
St Mary's CPS, Bodmin	**669,220**	**145,467**	**51,437**	**171,203**	**1,037,327**	1,119,727
St John's CPS, Camborne	**574,525**	**69,177**	**16,570**	**125,300**	**785,572**	735,956
St Mary's CPS, Falmouth	**658,737**	**103,121**	**31,273**	**276,414**	**1,069,545**	923,384
St Mary's CPS, Penzance	**616,502**	**62,342**	**69,985**	**206,749**	**955,578**	904,974
Our Lady's CPS	**641,454**	**196,856**	**33,412**	**153,971**	**1,025,693**	899,019
Our Lady and St Patrick's CPS	**623,672**	**94,606**	**29,697**	**165,623**	**913,598**	935,381
St John's CPS, Tiverton	**596,203**	**210,659**	**65,030**	**174,470**	**1,046,362**	1,007,183
St John the Baptist CPS	**256,332**	**41,316**	**12,076**	**126,388**	**436,112**	410,532
St Joseph's CPS, Exmouth	**563,473**	**95,091**	**36,772**	**161,350**	**856,686**	853,167
St Joseph's CPS, Newton Abbot	**581,004**	**78,857**	**70,810**	**234,013**	**964,684**	790,940
St Mary's CPS, Axminster	**413,701**	**46,751**	**23,162**	**145,882**	**629,496**	610,792
St Mary's CPS, Buckfast	**394,670**	**47,708**	**18,083**	**121,640**	**582,101**	539,462
St Nicholas CPS	**950,824**	**189,755**	**56,280**	**293,024**	**1,489,883**	1,427,448
St Augustine's CPS	**596,634**	**102,805**	**72,600**	**188,128**	**960,167**	954,354
St Catherine's CPS, Wimborne	**547,607**	**131,627**	**16,732**	**124,052**	**820,018**	748,514
St Catherine's CPS, Bridport	**591,136**	**102,455**	**5,175**	**136,636**	**835,402**	832,093
St Mary's CPS, Marnhull	**293,094**	**30,162**	**17,604**	**73,595**	**414,455**	404,892
St Mary's Catholic First School	**433,696**	**68,559**	**58,223**	**112,614**	**673,092**	616,242
St Mary's CPS, Swanage	**574,681**	**50,203**	**37,465**	**135,824**	**798,173**	777,976
St Mary & St Joseph's CPS	**465,937**	**119,387**	**38,022**	**137,295**	**760,641**	757,739
Holy Cross CPS	**697,200**	**118,011**	**85,358**	**280,411**	**1,180,980**	1,174,873
Keyham Barton CPS	**659,300**	**129,431**	**57,080**	**169,975**	**1,015,786**	1,011,576
Priory Roman CPS	**663,808**	**100,618**	**32,780**	**161,601**	**958,807**	910,379
Queensway CPS	**508,743**	**55,206**	**39,883**	**283,034**	**886,866**	881,086
Sacred Heart CPS	**788,871**	**85,202**	**30,449**	**228,137**	**1,132,659**	1,186,198

22. STATEMENT OF FUNDS (continued)

Notre Dame RC School	**2,814,292**	**529,858**	**155,286**	**704,153**	**4,203,589**	4,157,283
St Boniface's RC College	**2,389,861**	**415,623**	**389,140**	**662,677**	**3,857,301**	3,957,483
St Joseph's CPS, Devonport	**560,067**	**99,741**	**48,884**	**177,504**	**886,196**	877,009
St Margaret Clitherow CPS	**535,631**	**55,558**	**21,290**	**104,474**	**716,953**	593,315
St Paul's CPS	**581,767**	**113,052**	**57,458**	**190,304**	**942,581**	904,451
St Peter's CPS	**521,895**	**110,865**	**29,654**	**145,195**	**807,609**	828,116
The Cathedral of St Mary	**434,391**	**87,272**	**31,634**	**129,932**	**683,229**	645,962
St Joseph's CPS, Poole	**1,166,361**	**245,279**	**46,026**	**270,904**	**1,728,570**	1,496,674
St Mary's CPS, Poole	**1,122,886**	**154,453**	**69,873**	**346,635**	**1,693,847**	1,624,751
Plymouth CAST Central	**389,448**	**639,421**	**203,924**	**3,888,579**	**5,121,372**	4,145,488
Orchard Nursery	**358,087**	**-**	**6,219**	**75,209**	**439,515**	386,489
	26,462,590	**5,150,286**	**2,127,516**	**11,317,734**	**45,058,126**	42,784,850

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	**-**	**-**	**25,738,332**	**25,738,332**
Current assets	**1,829,156**	**3,861,824**	**40,658**	**5,731,638**
Creditors due within one year	**-**	**(3,472,241)**	**-**	**(3,472,241)**
Pension scheme liability	**-**	**(18,872,000)**	**-**	**(18,872,000)**
	1,829,156	**(18,482,417)**	**25,778,990**	**9,125,729**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds (as restated) 2016 £
Tangible fixed assets	-	-	25,806,725	25,806,725
Current assets	2,408,498	5,023,763	4,950	7,437,211
Creditors due within one year	-	(2,741,288)	-	(2,741,288)
Creditors due in more than one year	-	(111,568)	-	(111,568)
Pension scheme liability	-	(19,293,000)	-	(19,293,000)
	2,408,498	(17,122,093)	25,811,675	11,098,080

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

	2017 £	As restated 2016 £
Net expenditure for the year (as per Statement of Financial Activities)	**(4,619,351)**	(2,008,446)
Adjustment for:		
Depreciation charges	**974,902**	863,962
Dividends, interest and rents from investments	**(7,799)**	(9,302)
Loss on the sale of fixed assets	**4,042**	-
Decrease in debtors	**422,592**	700,797
Increase/(decrease) in creditors	**599,637**	(891,864)
Capital grants from DfE and other capital income	**(1,181,483)**	(1,835,568)
Defined benefit pension scheme cost less contributions payable	**1,810,000**	859,000
Defined benefit pension scheme finance cost	**416,000**	380,000
Net cash used in operating activities	**(1,581,460)**	(1,941,421)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	**4,234,392**	5,517,373
	4,234,392	5,517,373

26. CAPITAL COMMITMENTS

At 31 August 2017 the Academy Trust had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	-	29,263

27. GENERAL INFORMATION

Plymouth CAST Limited is a company limited by guarantee, incorporated in England and Wales. The registered office is St Boniface House, Ashburton, Newton Abbot, Devon, TQ13 7JL.

28. PENSION COMMITMENTS

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

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

Contributions amounting to £507,739 were payable to the schemes at 31 August 2017 (2016: £316,580) and are included within creditors.

28. PENSION COMMITMENTS (continued)

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

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
- 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%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £2,453,672 (2016: £2,456,180).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has 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 2017 was £2,191,000 (2016: £1,976,000), of which employer's contributions totalled £1,673,000 (2016: £1,502,000) and employees' contributions totalled £518,000 (2016: £474,000). The agreed contribution rates for future years are 17 - 19% for employers and 5.5 - 10.5% for employees.

28. PENSION COMMITMENTS (continued)

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.

Cornwall LGPS:

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	**2.50 %**	2.00 %
Rate of increase in salaries	**2.50 %**	4.10 %
Rate of increase for pensions in payment / inflation	**2.40 %**	2.10 %

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

	2017	2016
Retiring today		
Males	**22.1**	22.2
Females	**24.5**	24.4
Retiring in 20 years		
Males	**24.0**	24.4
Females	**26.4**	26.8

Devon LGPS:

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

	2017	2016
Discount rate for scheme liabilities	**2.60 %**	2.20 %
Rate of increase in salaries	**4.20 %**	4.10 %
Rate of increase for pensions in payment / inflation	**2.70 %**	2.30 %

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

	2017	2016
Retiring today		
Males	**23.4**	22.9
Females	**25.5**	26.2
Retiring in 20 years		
Males	**25.7**	25.2
Females	**27.9**	28.6

28. PENSION COMMITMENTS (continued)

Dorset LGPS:

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

	2017	2016
Discount rate for scheme liabilities	**2.60 %**	2.20 %
Rate of increase in salaries	**4.20 %**	3.80 %
Rate of increase for pensions in payment / inflation	**2.70 %**	2.30 %

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

	2017	2016
Retiring today		
Males	**23.9**	22.9
Females	**26.0**	25.3
Retiring in 20 years		
Males	**26.2**	25.2
Females	**28.3**	27.7

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	**9,360,770**	7,544,680
Corporate bonds	**1,909,130**	1,826,130
Property	**1,362,370**	1,270,370
Cash and other liquid assets	**394,730**	207,820
Other	**2,843,000**	2,317,000
Total market value of assets	**15,870,000**	13,166,000

The actual return on scheme assets was £1,746,736 (2016: £1,387,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	**(3,483,000)**	(2,361,000)
Past service cost	**(47,978)**	(49,237)
Interest income	**300,000**	428,000
Interest cost	**(716,000)**	(808,000)
Total	**(3,946,978)**	(2,790,237)

28. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening defined benefit obligation	**32,459,000**	20,132,000
Current service cost	**3,483,000**	2,361,000
Interest cost	**716,000**	808,000
Employee contributions	**518,000**	474,000
Actuarial (gains)/losses	**(2,272,000)**	8,986,000
Benefits/transfers paid	**(162,000)**	(302,000)
Closing defined benefit obligation	**34,742,000**	32,459,000

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

	2017 £	2016 £
Opening fair value of scheme assets	**13,166,000**	10,111,000
Expected return on assets	**309,000**	434,000
Actuarial gains/(losses)	**375,000**	953,000
Employer contributions	**1,673,000**	1,502,000
Employee contributions	**518,000**	474,000
Benefits/transfers paid	**(162,000)**	(302,000)
Administration expenses	**(9,000)**	(6,000)
Closing fair value of scheme assets	**15,870,000**	13,166,000

29. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	**47,471**	73,002
Between 1 and 5 years	**67,413**	76,296
Total	**114,884**	149,298

30. 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.

31. RELATED PARTY TRANSACTIONS

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

During the year, purchases totalling £40,471 (2016: £65,339) for resources, services and fixed assets were made from Plymouth Roman Catholic Diocesan Trustees Registered (PRCDTR), an entity in which a Plymouth CAST Trustee is also a Trustee. All purchases were delivered at cost, with no element of profit. Plymouth CAST also received a £15,000 donation during the year from PRCDTR in respect of legal fees incurred. At 31 August 2017, PRCDTR owed Plymouth CAST £Nil (2016: £10,138).

A notional rent amounting to £1,853,478 (2016: £1,741,108) was charged by Plymouth Diocese for Plymouth CAST's use of Diocesan school land and buildings during the year. A non-charitable donation of the same amount has been recognised to fund this expenditure. Plymouth CAST incurred expenditure totalling £1,309,885 (2016: £1,356,834) on improvements made to Diocesan property occupied by the Academy Trust. See note 21.

During the year, the Academy Trust made purchases totalling £58,526 from KG Educational Consultants Ltd, a company in which Mrs K Griffin (a member of Key Management Personnel, and also a Trustee from 14 September 2017) is a director. At the year end, Plymouth CAST owed KG Educational Consultants Ltd £17,000. This is included in trade creditors.

Mrs H Rogerson (wife of Mr D Rogerson, a Trustee) is employed as a teaching assistant at St Mary's CPS Bodmin. Mrs Rogerson's appointment was made in open competition and Mr Rogerson was not involved in the decision making process. Mrs Rogerson is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship with a Trustee.

32. CONTINGENT LIABILITIES

The Academy Trust is currently involved in an ongoing employment claim. It has not been possible to reliably estimate the outcome of this case, or any potential financial impact which may arise.

33. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2017 the Academy Trust received £39,173 (2016: £35,810) and disbursed £27,068 (2016: £35,094) from the fund. An amount of £12,015 (2016: £716) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

34. 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.