

TRINITY SCHOOL A CHURCH OF ENGLAND  
ACADEMY

FINANCIAL STATEMENTS

31 AUGUST 2018

(A Company Limited by Guarantee)

A. W. APPROVAL  
COPY TO BE SIGNED

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

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**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, GOVERNORS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Members**

The Right Reverend James Newcome,  
The Bishop of Carlisle (represented by The Reverend Ian Johnston)  
The Very Reverend Mark Boyling, The Dean of Carlisle  
Mr Michael Mill, The Diocesan Director of Education,  
representing the Diocesan Board of Finance (resigned 28 November 2017)  
Mr J Johnson, Representative of the Diocesan  
Board of Finance (appointed 28 November 2017)  
Mr D Brian Armstrong, The Chairman of Governors  
The Venerable Lee Townend, Archdeacon of Carlisle

**Governors**

Mrs S Aglionby, Governor  
Mr D B Armstrong, The Chairman of Governors<sup>1</sup>  
Dr I Barker, Staff Governor<sup>1</sup>  
Dr E Borlase, Governor  
The Very Reverend M Boyling, Governor  
Mr M Carigiet, Governor  
Mr D G Carter, Governor<sup>1</sup>  
Mr T Dawson, Governor  
Mr G B Edwards, Staff Governor  
Mrs S Glendinning, Governor<sup>1</sup>  
Mr C Jefferson, LA Governor  
Mrs K Johnston, Governor  
Mrs S L Johnston, Co-Headteacher, Ex Officio<sup>1</sup>  
Mr D Kay, Co-Headteacher, Ex Officio  
Mr T Leach, The Vice Chairman of Governors<sup>1</sup>  
Mrs D Libby, Governor<sup>1</sup>  
The Reverend Canon M Manley, Governor  
Mr S McDermott, Governor<sup>1</sup>  
Mr I McGregor, Parent Governor (resigned 31 August 2018)  
Dr W D Paterson, Governor  
Reverend D G Pitkeathly, Governor  
Mrs C Robinson, Staff Governor (resigned 31 August 2018)  
Reverend B J Thomas, Governor (resigned 31 August 2018)  
Mr M Burnes, Governor  
Mrs L Wedderburn, Governor (appointed 1 September 2018)  
Mrs L Walkingshaw, Governor (appointed 1 October 2018)

<sup>1</sup> Finance and General Purposes Committee

**Company registered number** 07697485

**Company name** Trinity School A Church of England Academy

**Principal and registered office** Strand Road  
Carlisle  
CA1 1JB

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Advisers (continued)**

**Company Secretary/  
Secretary to the Trust &  
Governing Body** Mrs L Minns

**Senior leadership team**

Mrs S Johnston, Co Headteacher  
Mr D Kay, Co Headteacher  
Mrs J Hawkin, Deputy Head  
Mr P Charnock, Assisant Head  
Mrs J Leech, Assistant Head  
Mr D McArdle, Assistant Head  
Mr A Winter, Assistant Head  
Mr A Hopkins, Interim Assistant Head  
Mrs K Rosary, Business Manager

**Independent auditors** Armstrong Watson Audit Limited  
Chartered Accountants  
Statutory Auditors  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP

**Bankers** The Royal Bank of Scotland  
37 Lowther Street  
Carlisle  
CA3 8EL

**Solicitors** Burnetts Solicitors  
6 Victoria Place  
Carlisle  
CA1 1ES

**Actuary** Mercer Limited  
Mercury Court  
Tithebarn Street  
Liverpool  
L2 2QH

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The Annual Report serves the purposes of both a Governors' Report, and a Directors' report under company law.

The Academy Trust's objective is to maintain, lead, manage and develop the school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England, both generally and in particular in relation to arranging for religious education and daily acts of worship and in having regard to the advice of the Diocesan Board of Education. The Trust operates an academy for students aged 11 to 18 serving a catchment area in Carlisle.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Governors of Trinity School A Church of England Academy are also the directors of the charitable company for the purpose of company law.

Members of the Charitable Trust are nominated by either the Secretary of State for Education or the Carlisle Diocese, the main sponsors of the Academy. The charitable company was incorporated on 7 July 2011, however the establishment of the Academy occurred on 1 September 2011 with the transfer of assets, liabilities and educational activities from the Local Authority.

The constitution of Trinity School states that the governing body shall consist of:

- 1 No fewer than 12 governors appointed by the Members
- 2 Up to 3 staff governors
- 3 1 LA nominated governor
- 4 2 parent governors
- 5 The Principal (Headteacher)
- 6 Any additional governors as stated in the articles of association
- 7 Any further governors as stated in the articles of association

The Members of Trinity School Charitable Trust are:

- 1 The Bishop of Carlisle
- 2 The Archdeacon of Carlisle
- 3 The Dean of Carlisle
- 4 Representative of the Diocesan Board of Finance
- 5 The Chairman of Governors

Details of the Governors who served during the year are included within Administration details on page 1.

#### **Member's Liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease 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.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Governors' Indemnities**

Professional indemnity insurance is paid on behalf of the governors and officers of the Academy.

**Method of Recruitment and Appointment or Election of Governors**

The members of the Trust are responsible for appointing the Appointed Governors. The Chapter of Carlisle Cathedral will make suitable nominations for their consideration. Staff governors are appointed following nominations from the staff of the school, involving an election if necessary. Parent governors are also nominated by parents, with an election if applicable. New governors are particularly sought if they can bring specific skills or experience to the governing body.

**Policies and Procedures Adopted for the Induction and Training of Governors**

All new governors receive internal induction training and also attend various governor training courses run by the Local Authority. Existing governors also attend governor training courses run by the Local Authority. The Diocese also have training courses.

**Organisational Structure**

The structure of the Academy consists of the Charitable Trust, the Governing Body and the Senior Leadership Team. The structure aims to distribute responsibility and involvement in the decision making process.

The full governing body meets four times a year and is responsible for making major strategic decisions. Much of the work of the governing body, however, is carried out in various committees. These meet at least once a term, dealing with the major areas within the school. Trinity has six committees. These are:

- 1 Finance & General Purpose
- 2 Staffing
- 3 Curriculum
- 4 Pastoral
- 5 Premises
- 6 Church Foundation

The membership of each committee is no less than six governors together with one Co-Headteacher and/or nominated member of the Senior Leadership Team. A schedule of delegation is considered and approved by the full governing body annually. This clearly indicates the authority for the decision making process in all areas.

The Senior Leadership Team manage the school, implementing the policies adopted by the Governing Body. The Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. There is further delegation of budgets within agreed limits to middle managers.

**Pay Policy for Key Management Personnel**

The school Pay Policy is based on the School Teachers Pay and Conditions document, and all Senior Leadership pay determination and progression follows the key principles within this. The pay ranges for the Leadership Team are driven by the unit totals within the STPCD. All progression is assessed based on pre-set objectives and forms part of the appraisal of performance process taking into account of the objectives outcomes.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**TRADE UNION FACILITY TIME**

**Relevant union officials**

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

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time**

Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**Connected Organisations, including Related Party Relationships**

Trinity School is the lead school for the Carlisle School Direct partnership, managing Initial Teacher Training across seven secondary schools and twenty seven primary schools, in partnership with the University of Cumbria. A financial agreement is in place with the University of Cumbria whereby an agreed proportion of student fees is transferred to the Academy to manage this provision. The school also works with the Carlisle Secondary Learning Consortium (CSLC), which is the formal meeting of headteachers, deputy headteachers, business managers and subject leaders to support each other in school improvement. We are also part of the Cumbria Association of System Leaders, working with other schools on school improvement.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The main object and activity of the charitable company is the operation of Trinity School, Carlisle, a Church of England Academy, in order to provide education to students of different abilities between the ages of 11 and 19.

In setting the objectives and planning our activities the Members of the Academy Trust, as trustees, have given careful consideration to the Charity Commissioners' general guidance on public benefit and confirm that they adhere to this guidance.

In accordance with the Memorandum and Articles, the charitable company has adopted a scheme of governance approved by the Secretary of State for Education. The Scheme of Governance specifies, amongst other things, the basis for admitting students to the Academy, and that the curriculum should comply with the substance of the national curriculum being broad and balanced for all, with an emphasis on meeting students' needs and raising their aspirations.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The main objectives of the Academy during the period ended 31 August 2018 are summarised below:

- to ensure that every child enjoys a high quality education in terms of teaching and learning, care and support, and opportunities for wider activities;
- to seek to raise the standard of educational achievements of all students;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the Academy's business with the highest standards of integrity, probity and openness.

**Objectives, Strategies and Activities**

The aims of the school are as follows:

This school, a Christian foundation, is committed to the provision of good education for all.

We seek to do so in the following ways:

1. To work in partnership with parents/carers and the community to help students to:
  - a) achieve their individual potential;
  - b) develop their curiosity, creativity, knowledge, skills, understanding and appreciation of the world and human achievements;
  - c) develop self-discipline, self-respect and an awareness and respect for moral and spiritual values and the needs and rights of others;
  - d) understand the society in which they live and the factors which are changing it and to equip them to play a full part in society;
  - e) appreciate that education is a life-long process and to enjoy a rewarding experience which will encourage them to pursue their interests in later life.
2. To develop the skills and potential of the staff of the school to further Aim 1.
3. To strive to improve our academic achievements and level of success in all school activities.

In order to implement these aims during 2017-2018, the school established the following priorities in five key areas in our School Improvement Plan:

1. Progress of all students
2. Progress of disadvantaged students, particularly those with low and middle prior attainment
3. Attendance, with a particular focus on disadvantaged students
4. Approach to learning, focusing particularly on disadvantaged boys
5. Students' understanding of their own strengths, areas for development and progress against targets, particularly at KS3

**Equality Policy**

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities, including creating a working environment in which contribution and needs of all people are fully valued. The Academy has an Equality Policy, which complies with the Equality Act (2010), with a published Equality Briefing for Governors and Staff to promote understanding and compliance with the Public Sector Equality Duty (2011), including published objectives for our work.



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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support the recruitment and retention of all students and staff regardless of disability. The Academy does this by adapting the physical environment, by making support resources available and through training and career development. The school has two students in wheelchairs for most of their time in school.

It remains the case that the Carlol Building, housing the Sixth Form Centre, does not have the same access facilities as the rest of the rebuild school.

The school remains a resourced provision for Hearing Impaired students, with 4 students on roll taking advantage of our modified classrooms and Soundfield system. The school continues to receive applications from students with statements of special needs or Education Health Care Plans, and to give them first priority in terms of admissions and support.

#### **Public Benefit**

In setting our objectives and planning our activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Certain school benefits are available to the public outside school hours, namely the school swimming pool, the new Sports Hall and the Music Department.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Strategic report**

#### **Key Performance Indicators**

The school's Key Performance Indicators (KPIs) for the period are as follows:

Progress 8: -0.46  
Attainment 8: 45.65

Basics 4+: 69%  
Basics 5+: 43%  
Basics 7+: 12%

English 4+: 83%  
English 5+: 65%  
English 7+: 20%

Maths 4+: 71%  
Maths 5+: 47%  
Maths 7+: 22%

EBacc (standard): 25%  
EBacc (strong): 19%

Year 13: ALPS 7

The school's priorities for 2018/19 are sharply focused on raising student achievement, with a particular focus on accelerating the progress of students at KS4 and KS5, with a particular focus on disadvantaged students.

The school's attendance figure for 2017/18 was 94.1%.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Going Concern**

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

**Review of Activities**

The reporting period represents the school's seventh year of operation as an academy and, as always, we set strategic goals related to the achievement and progress of our students, the quality of teaching that students receive and their behaviour, safety and personal development. To ensure that we continue to improve in these areas the school operates a programme of formal lesson observations, daily learning walks, student voice and regular work scrutiny. The school also engages in a peer review programme with other local secondary schools in the Carlisle Secondary Learning Consortium to support the accuracy of our self evaluation, as well as inviting visits from external advisers to challenge and support the school and to contribute to professional development.

Student achievement in 2018 saw an improvement in Basics measures on the previous year, but progress measures are below average. Our score on the 5+ Basics measure of 43% is in line with the national average for state funded schools and an improvement of 6% on the previous year. In English Language outcomes remain above the national average by 9% on the 4+ figure but are 2% below national on the 7+ figure. In Maths the subject is 2% above national averages on both the 4+ and 7+ measures.

Our Progress 8 score has dipped this year to -0.46, on best not first results. Part of this is due to curricular decisions taken three years ago; in addition to this, at a time when all GCSEs have now changed, we have not yet adjusted well enough to the demands of these. We have already changed the curriculum and options process for KS4 to ensure that 'buckets' are full. The current Y11 will be the first year group with this new curriculum. Departments are learning from the first year through the new examinations and adjusting programme delivery to ensure there is a close focus on the necessary skills.

For students in receipt of Pupil Premium outcomes are well below average which is disappointing given the significant improvement in 2017. The unvalidated Progress 8 score for this group is -1.14 compared to -0.29 last year. This cohort had significant and complex barriers to learning and the strategies which had been successful with the previous cohort did not work as well with this group. Improving outcomes for disadvantaged students is a major focus of our improvement work in 2018-19.

At A Level our students achieved an ALPS 7 which places us below average in comparison to other schools, and is a dip compared to the ALPS 3 we achieved two years ago. As with GCSE we are not yet preparing our students well enough for the demands of the new A level course and we have embarked on a swift and comprehensive programme of analysis and improvement. Leaders are focussing sharply on the key areas of concern and there is strong capacity for improvement.

In 2018 66% of the school's Y13 students went on to university. 20% progressed to Russell Group universities. 8% of this year group took up an apprenticeship with 10% taking a gap year. 7% of students went on to continue their education at Carlisle College and 8% went into employment. We hold a Futures Ready day for Year 12 as part of our Information and Guidance programme and have productive links with a number of universities and in particular Newcastle, Northumbria and Lancaster.

The school continues to offer rich and varied provision for its students, both within and beyond the curriculum. There are many and varied sporting activities with sports teams doing well in athletics, rugby and footballing, trampolining and gymnastics, to name just a few. It was another excellent year for the Arts, also, with many successes in the Carlisle and District Music Festival and the successful whole school production of Legally Blonde. As we prepared to celebrate the school's 50th anniversary students were involved in 50@50 events, with, for example, sporting events, quizzes and tree planting.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

There were opportunities throughout the year where students could take part and excel. More students than ever took part in the Duke of Edinburgh Award scheme and all Year 8 students completed the Archbishop of York Award, serving the community through involvement in the Give a Day to the City initiative. Students had Art work published internationally, entered debating competitions, and won prizes for poetry. Three teams of Sixth Form students completed a World Challenge expedition in Vietnam, with the community project that involves. The school continues to be a creative and busy place where every student can do well.

This year has also seen the final stage of the school's recovery from the devastating floods of Storm Desmond in 2015. In Easter 2018 we opened our new Sports Hall to replace the old sports arena which had been badly flooded both in 2015 and also 2005. The new Sports Hall is at the opposite end of the site to the old one in an area that has never been flooded previously. Our students now have state of the art PE facilities after many months of temporary facilities, to the delight of all.

#### **Investment Policy and Performance**

Investments will only be made with the prior approval of the Finance Committee. Funds cannot be invested for more than a period of 364 days. Governors will take a view on the type of investment and liquidity of funds to ensure cash flow needs are met.

#### **FINANCIAL REVIEW**

##### **Reserves Policy**

The Governors review the reserve levels of the Academy annually. This takes account of the income and expenditure levels, a prudent approach is taken given the uncertainty of future funding formula. Governors are to establish a reserve which will enable the setting of a balanced budget.

##### **Financial Risk Management Objectives and Policies**

The majority of the Academy's income is provided by the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2018 and associated expenditure are shown as restricted funds in the statement of financial activities.

During the period to 31 August 2018 total expenditure of £9,864k was fully covered by the recurrent grant funding from the ESFA together with other incoming resources. The excess of income over expenditure, after other gains and losses, to be carried forward in to future periods was £11,206k. The Local Government Pension Scheme deficit reduced by £888k to £3,280k.

As at 31 August 2018, the net book value of fixed assets was £13,697k and movements in tangible fixed assets are detailed in note 13 of the financial statements. The assets were used exclusively for the purpose of education for students.

The Governors are mindful of the financial challenges faced by school in relation to the ongoing review of funding at both a local and national level.

The Governors receive regular financial updates and formally meet to assess the Academy's financial position each term through the Finance and General Purpose Committee. The reporting measures actual income and expenditure against the fixed budget as a percentage spend at the time of the reporting period. The report projects the likely year end position taking account of expenditure to date, commitments and planned i.e. assumptions regarding income and expenditure at the time of the report.

This reporting allows the Governors to measure financial performance against budget and also a percentage split against staffing and other expenditure.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The assets value for the year have been updated for the year and the agreed scale of depreciation as approved by the Governors has been applied.

The Academy has obtained a full actuarial valuation of the pension liability under FRS17 in respect of support staff pension scheme. The valuation was a deficit of £3,280k.

The property valuation was undertaken by the ESFA and valued the buildings and site, however only the value of the buildings has been included within the financial statements as the land has not been transferred by the Diocese to the Academy.

**Fundraising**

There have been no fundraising events.

**PLANS FOR THE FUTURE**

**Future Developments**

Trinity School will continue to provide an educational environment to develop the potential of students in its care and strive to ensure its students' progress to higher education or find employment when they leave.

**Community links**

As a large city centre site, we act as host to many community groups such as the Borders' Astronomical.

Society, the city's scouts and the city's music centre. We operate Trinity Leisure Centre with Greenwich Leisure Limited, for the city council, which takes over the running of the centre in the evenings at weekends and in school holidays. We encourage all students and staff to take advantage of the special offers available.

Our students take an active part in many ways in their local community: in football teams; in participating in the Carlisle and District Music and Drama festival; through their involvement with the Duke of Edinburgh Award scheme at Bronze and Gold levels in school; through the cadets, membership of which is encouraged by the school; through the World Challenge project; through the extensive work for local and national charities run by each of the year groups; through involvement in the Archbishop of York Award and the Give a Day to the City initiative. These are some of many examples of the importance we place as a school on the wider education of our young people and in enriching the community we seek to serve.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**DISCLOSURE OF INFORMATION TO AUDITORS**

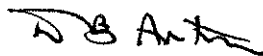
Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors have taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

Under section 487(2) of the Companies Act 2006, Armstrong Watson Audit Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

The Governors' Report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 3-12-18 and signed on its behalf by:



.....  
**Mr D B Armstrong**  
**Chair of Governors**

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
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**GOVERNANCE STATEMENT**

**SCOPE OF RESPONSIBILITY**

As Governors, we acknowledge we have overall responsibility for ensuring that Trinity School A Church of England Academy 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 Governing Body has delegated the day-to-day responsibility to the Co-Headteacher, Mrs S L Johnston, 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 Trinity School A Church of England Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Governors' Annual Report and in the Statement of Governors' responsibilities. The Governing Body has formally met 4 times during the year. Meetings were held on 28 September 2017, 4 December 2017, 7 March 2018 and 9 July 2018.

Attendance during the year at meetings of the Governing Body was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs S Aglionby, Governor	4	4
Mr D B Armstrong, The Chairman of Governors	4	4
Dr I Barker, Staff Governor	3	4
Dr E Borlase, Governor	3	4
The Very Reverend M Boyling, Governor, Ex Officio	4	4
Mr M Burnes, Governor	4	4
Mr M Carigiet, Governor	4	4
Mr D Carter, Governor	3	4
Mr T Dawson, Governor	4	4
Mr G Edwards, Staff Governor	4	4
Mrs S Glendinning, Governor	4	4
Mr C Jefferson, LA Governor	4	4
Mrs K Johnston, Governor	4	4
Mrs S Johnston, Co-Headteacher, Ex Officio	4	4
Mr D Kay, Co-Headteacher, Ex Officio	4	4
Mr T Leach, The Vice Chairman of Governors	2	4
Mrs D Libby, Governor	4	4
The Reverend Canon M Manley, Governor	3	4
Mr S McDermott, Governor	4	4
Mr I McGregor, Parent Governor (resigned 31 August 2018)	0	4
Dr W D Paterson, Governor	4	4
Revd D Pitkeathly, Governor	3	4
Mrs C Robinson, Staff Governor (resigned 31 August 2018)	3	4
Revd B Thomas, Governor (resigned 31 August 2018)	4	4
Mrs L Wedderburn, Governor (appointed 1 September 2018)	0	0
Mrs L Walkingshaw, Governor (appointed 1 October 2018)	0	0

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
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**GOVERNANCE STATEMENT (continued)**

**Governance reviews**

The Finance and General Purpose Committee is a committee of the main Governing Body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

Meetings were held on 30 October 2017, 27 November 2017, 26 March 2018 and 21 June 2018.

Attendance at meetings of the Finance and General Purpose Committee in the year was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr D B Armstrong, The Chairman of Governors	4	4
Dr I Barker, Staff Governor	4	4
Mr D G Carter, Governor	4	4
Mrs S Glendinning, Governor (Chair)	3	4
Mrs S Johnston, Co-Headteacher, Ex Officio	4	4
Mr T Leach, The Vice Chairman of Governors	3	4
Mrs D Libby, Governor	4	4
Mr S McDermott, Governor	4	4

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Co-Headteacher, Mrs S L Johnston 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 Governing Body 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:

**Raising student achievement**

Improving educational results for our students remains our key priority. A robust tracking system which monitors progress and achievement is in place; a priority for us has been to look at how data can inform staff in order for them to support and extend students' learning and progress.

We have employed skilled staff to support our school improvement agenda and developed rigorous systems for staff Appraisal and Continuing Professional Development to ensure that teaching is of high quality. A programme of formal lesson observations involving senior staff is in place within the Academy, alongside daily senior team Learning Walks, to ensure that there is a consistent focus on high standards. Again this year we employed external support to work with us to ensure the accuracy of our judgements in lesson observations and to test the accuracy of our self-evaluation and improvement planning.

A key improvement priority last year was to accelerate the progress of students at KS3. We introduced a new Key Stage 3 Diploma to raise the profile of achievement at this key stage. Curriculum Leaders reviewed schemes of work to increase the level of challenge at the key stage, in line with new specifications at GCSE. We also introduced a Development post to work on effective academic transition from primary school and ensure that we build upon the rigour of the new KS2 curriculum. As a result of this work, as well as high quality of teaching and learning, there was a significant improvement in progress measures at Key Stage 3, particularly for pupil premium students.

The Academy also tracks attendance and behaviour of all students and attendance overall is broadly in line with the national average. The most recent OFSTED report in April 2015, noted that behaviour is good and this continues to be the case.

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)**

**Focus on individual students**

The Academy recognises that student needs are diverse and a differentiated curriculum with a pathways approach is in place in order to make the most appropriate use of resources to meet students' needs. We offer a broad range of options at both KS4 and KS5 to enable students to personalise their learning. Setting is in place in all subjects and triple science is studied by the most able students at Key Stage 4. The Home Group in Years 7, 8 and 9 provides specialist provision for students with the greatest learning needs and the Zone provides behaviour and subject support for those at risk of exclusion.

**Collaboration**

The Academy works closely with other local secondary schools and is the lead school for our collaborative School Direct Initial Teacher Training provision involving over thirty schools, both primary and secondary. The Academy is part of the Carlisle Schools Learning Consortium, and the headteachers of each school meet regularly to provide peer support on self-evaluation and improvement planning, to share ideas and good practice, and to discuss issues. The Academy supports its feeder primary schools with sports provision. Primary school students visit the Academy for swimming lessons, trampolining and other specialist activities.

The Academy has also linked with local schools to share CPD provision from external providers engaging with others to share delivery, good practice to drive up standards at a reduced cost.

**Better purchasing**

All contracts are reviewed or renegotiated in a timely manner to ensure the right balance of quality and effectiveness is achieved. Longer term contracts of 3 years have been entered into where a reduced cost could be achieved such as printing and catering.

**Options appraisal**

The Governors/Trustees and Senior Leadership Team apply the principles of best value when making decisions about the:

- allocation of resources to best promote the aims and values of the school.
- targeting of resources to best improve standards and the quality of provision.
- use of resources to best support the various educational needs of all students.

The Trust has developed procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures in place include:

- competitive tendering procedures
- procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- procedures which minimise office time by the purchase of goods or services under £2,500 direct from known, reliable suppliers (e.g. stationery, small equipment).

**Economies of scale**

The Academy takes opportunities to work collaboratively with others to reduce and share administration and procurement costs. The grounds maintenance contract is tendered for on a joint basis with two other schools in the immediate vicinity.

The Academy has joined the Education Funding Agency's RPA (Risk Protection Arrangement), which provides better value for money than previous insurance arrangements. Areas not covered by the RPA Scheme have been subject to competitive quotes to ensure adequate cover and value for money.

**Better income generation**

Opportunities have been taken to explore and generate additional and reliable revenue streams. These include car park and letting of sports facilities.



**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)**

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 Trinity School A Church of England Academy for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Governing Body 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 Governing Body 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**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 Governing Body;
- regular reviews by the Finance and General Purpose 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 Governing Body has considered the need for a specific internal audit function and has decided to appoint Mrs A Evans, a Chartered Accountant, 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: reviews of purchases, sales and payroll controls.

On a quarterly basis, the auditor reports to the Governing Body through the audit committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)**

**REVIEW OF EFFECTIVENESS**

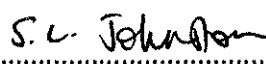
As Accounting Officer, the Co-Headteacher, Mrs S L Johnston has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- 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 Finance and General Purpose Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Governing Body on 3-12-18 and signed on their behalf, by:

  
.....  
**Mr D B Armstrong**  
Chair of Governors

  
.....  
**Mrs S L Johnston**  
Accounting Officer


**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Trinity School A Church of England Academy I have considered my responsibility to notify the Academy Trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, 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 2017.

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 2017.

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



.....  
**Mrs S L Johnston**  
**Accounting Officer**

3-12-14

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors 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 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 Governors 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 Governors 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 the Governing Body and signed on its behalf by:



.....  
**Mr D B Armstrong**  
**Chair of Governors**

Date: 3-12-18

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRINITY  
SCHOOL A CHURCH OF ENGLAND ACADEMY**

**OPINION**

We have audited the financial statements of Trinity School A Church of England Academy (the 'Academy') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2018 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 2017 to 2018 issued by the Education & Skills Funding Agency.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**OTHER INFORMATION**

The Governors 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

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are 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 Governors' Responsibilities Statement, the Governors (who are also the directors of the Academy 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 Governors 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 Governors are responsible for assessing the Academy'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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRINITY  
SCHOOL A CHURCH OF ENGLAND ACADEMY**

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Karen A Rae*

Karen A Rae FCCA (Senior Statutory Auditor)  
for and on behalf of

**Armstrong Watson Audit Limited**

Chartered Accountants

Statutory Auditors

Carlisle

Date: *12 December 2018*

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TRINITY  
SCHOOL A CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trinity School A Church of England Academy during the year 1 September 2017 to 31 August 2018 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 Trinity School A Church of England Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Trinity School A Church of England Academy 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 Trinity School A Church of England Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY'S  
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Trinity School A Church of England Academy's funding agreement with the Secretary of State for Education dated 1 September 2011, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 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's income and expenditure.

The work undertaken to draw our conclusion includes:

- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- review of extra-contractual payments for staff have been made in accordance with the Handbook;
- review of resources expended for individual transactions exceeding £5,000;
- reviewing any borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives.

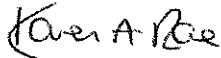


**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TRINITY  
SCHOOL A CHURCH OF ENGLAND ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Karen A Rae (FCCA)  
for and on behalf of

**Armstrong Watson Audit Limited**  
Chartered Accountants  
& Statutory Auditors  
Carlisle

Date: 12 December 2018

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £	
<b>INCOME FROM:</b>						
Donations and capital grants	2	786	18,721	5,000	24,507	20,863
Charitable activities	5	-	8,575,448	1,809,276	10,384,724	8,395,837
Other trading activities	3	42,078	540,028	-	582,106	242,137
Investments	4	5,210	-	-	5,210	3,448
<b>TOTAL INCOME</b>		<b>48,074</b>	<b>9,134,197</b>	<b>1,814,276</b>	<b>10,996,547</b>	<b>8,662,285</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		116,004	9,150,582	597,778	9,864,364	9,494,375
<b>TOTAL EXPENDITURE</b>	6	<b>116,004</b>	<b>9,150,582</b>	<b>597,778</b>	<b>9,864,364</b>	<b>9,494,375</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS</b>						
		(67,930)	(16,385)	1,216,498	1,132,183	(832,090)
Net gains on investments		-	-	-	-	4,138,076
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
		(67,930)	(16,385)	1,216,498	1,132,183	3,305,986
Transfers between Funds	19	-	(245,971)	245,971	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		(67,930)	(262,356)	1,462,469	1,132,183	3,305,986
Actuarial gains on defined benefit pension schemes	17	-	1,146,000	-	1,146,000	515,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(67,930)</b>	<b>883,644</b>	<b>1,462,469</b>	<b>2,278,183</b>	<b>3,820,986</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		208,138	(3,448,748)	12,168,602	8,927,992	5,107,006
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>140,208</b>	<b>(2,565,104)</b>	<b>13,631,071</b>	<b>11,206,175</b>	<b>8,927,992</b>

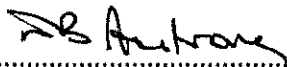
The notes on pages 27 to 50 form part of these financial statements.

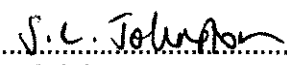
**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07697485**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	2017 £
<b>FIXED ASSETS</b>				
Tangible assets	13		13,697,182	12,188,912
<b>CURRENT ASSETS</b>				
Debtors	14	285,008	489,022	
Cash at bank and in hand		1,226,531	1,169,250	
		<u>1,511,539</u>	<u>1,658,272</u>	
<b>CREDITORS: amounts falling due within one year</b>	15	<b>(722,546)</b>	<b>(751,192)</b>	
<b>NET CURRENT ASSETS</b>			<u>788,993</u>	<u>907,080</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>14,486,175</u>	<u>13,095,992</u>
Defined benefit pension scheme liability	17	<b>(3,280,000)</b>	<b>(4,168,000)</b>	
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u>11,206,175</u>	<u>8,927,992</u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted income funds:				
Restricted income funds	19	714,896	719,252	
Restricted fixed asset funds	19	13,631,071	12,168,602	
Restricted income funds excluding pension liability		<u>14,345,967</u>	<u>12,887,854</u>	
Pension reserve		<b>(3,280,000)</b>	<b>(4,168,000)</b>	
Total restricted income funds			<u>11,065,967</u>	<u>8,719,854</u>
Unrestricted income funds	19		140,208	208,138
<b>TOTAL FUNDS</b>			<u>11,206,175</u>	<u>8,927,992</u>

The financial statements on pages 24 to 50 were approved by the Governors, and authorised for issue, on 3-12-18 and are signed on their behalf, by:

  
 .....  
**Mr D B Armstrong**  
 Chair of Governors

  
 .....  
**Mrs S Johnston**  
 Accounting Officer

The notes on pages 27 to 50 form part of these financial statements.

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	<u>2,158,119</u>	<u>(303,584)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		5,210	3,449
Purchase of tangible fixed assets		<u>(2,106,048)</u>	<u>(594,601)</u>
<b>Net cash used in investing activities</b>		<u>(2,100,838)</u>	<u>(591,152)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>57,281</b>	<b>(894,736)</b>
Cash and cash equivalents brought forward		<u>1,169,250</u>	<u>2,063,986</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>1,226,531</u></u>	<u><u>1,169,250</u></u>

The notes on pages 27 to 50 form part of these financial statements.

**TRINITY SCHOOL A CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Trinity School A Church of England Academy constitutes a public benefit entity as defined by FRS 102.

**1.2 Fund accounting**

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

All income is recognised once the Academy 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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account 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.

General Annual Grant (GAG) must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG. Of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes.

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

All expenditure is inclusive of irrecoverable VAT.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. 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:

School buildings	-	over 50 years straight line
Furniture and fixtures	-	8 years straight line
Plant and machinery	-	3 years straight line
Motor vehicles	-	4 years straight line
Computer equipment	-	3 years 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 incorporating Income and Expenditure Account.

The Academy has a lease 'to occupy' with the Diocese over the property occupied for educational purposes. The Governors have assessed the remaining useful life of the property and believe that 50 years is an appropriate estimation over which to depreciate the buildings.

**1.7 Operating leases**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.8 Taxation**

The Charitable Company 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 Charitable Company 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. The cost of irrecoverable VAT incurred by the academy has been included in the Statement of Financial Activities incorporating Income and Expenditure.

**1.9 Debtors**

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

**1.10 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.

**1.11 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 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. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 Financial instruments**

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.13 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 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 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating Income and Expenditure Account 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.14 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

The 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 17, 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 2018 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

Depreciation:

Establishing useful economic lives for depreciation purposes. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimated of residual values. Governors regularly review the useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies are included in the accounting policies 1.6.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	786	18,721	5,000	24,507	20,863
<i>Total 2017</i>	-	20,863	-	20,863	

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**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Fundraising events and other income	-	11,207	11,207	11,382
Community and sports lettings	42,078	-	42,078	47,647
Other income	-	528,821	528,821	183,108
	<u>42,078</u>	<u>540,028</u>	<u>582,106</u>	<u>242,137</u>
<i>Total 2017</i>	<u>47,647</u>	<u>194,490</u>	<u>242,137</u>	

**4. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	5,210	-	5,210	3,448
	<u>5,210</u>	<u>-</u>	<u>5,210</u>	<u>3,448</u>
<i>Total 2017</i>	<u>3,448</u>	<u>-</u>	<u>3,448</u>	

**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	7,708,844	7,708,844	7,520,533
Condition Improvement Fund (CIF)	-	1,809,276	1,809,276	-
Other grants	-	761,979	761,979	787,808
Trip income	-	87,431	87,431	75,326
Examination and course fees	-	17,194	17,194	12,170
	<u>-</u>	<u>10,384,724</u>	<u>10,384,724</u>	<u>8,395,837</u>
<i>Total 2017</i>	<u>-</u>	<u>8,395,837</u>	<u>8,395,837</u>	

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**Other grants**

	2018 £	2017 £
16-18 Bursary fund	30,730	26,890
Pupil Premium	235,231	247,716
SEN income	227,067	269,677
Capital Devolved Formula	32,471	32,191
Other grants	236,480	211,334
<b>Total</b>	<b>761,979</b>	<b>787,808</b>

**6. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Educational operations:					
Direct costs	6,234,033	-	1,407,373	7,641,406	7,444,747
Support costs	977,392	844,590	400,976	2,222,958	2,049,628
	7,211,425	844,590	1,808,349	9,864,364	9,494,375
<i>Total 2017</i>	7,167,365	672,437	1,654,573	9,494,375	

**7. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational operations	7,641,406	2,222,958	9,864,364	9,425,239
	7,641,406	2,222,958	9,864,364	9,425,239
<i>Total 2017</i>	7,444,747	2,049,628	9,494,375	

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**7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)**

**Analysis of direct costs**

	Educational operations £	Total 2018 £	Total 2017 £
Interest cost on pension scheme	96,000	96,000	91,000
Books, apparatus and stationery	80,256	80,256	75,085
Examination fees	141,918	141,918	134,972
Educational consultancy	116,058	116,058	115,646
Other direct costs	99,705	99,705	143,764
Recruitment and staff development	71,223	71,223	26,766
Other staff costs	6,426	6,426	27,972
Expenditure on trips	92,561	92,561	81,030
Clawback	28,583	28,583	-
Supply and Staff Restructuring Costs	108,346	108,346	55,341
Wages and salaries	4,723,516	4,723,516	4,692,634
National insurance	462,178	462,178	461,058
Pension cost	1,016,857	1,016,857	1,018,814
Depreciation	597,779	597,779	520,665
	<u>7,641,406</u>	<u>7,641,406</u>	<u>7,444,747</u>
<i>At 31 August 2017</i>	<u>7,444,747</u>	<u>7,444,747</u>	

**Analysis of support costs**

	Educational operations £	Total 2018 £	Total 2017 £
Staff costs	977,391	977,391	972,605
Rent, rates and water	131,946	131,946	140,820
Light and heat	187,721	187,721	203,842
Repairs and maintenance	432,213	432,213	275,623
Equipment leasing	64,025	64,025	52,152
Postage and stationery	18,294	18,294	16,241
Motor vehicles	1,641	1,641	2,867
Other support costs	70,711	70,711	67,682
Insurance	38,396	38,396	37,698
Bank charges	4,174	4,174	4,161
Telephone	16,798	16,798	13,366
Pool running costs	42,564	42,564	44,096
Travel and subsistence	15,172	15,172	14,876
Cleaning and refuse collection	48,895	48,895	40,227
Computer costs	103,777	103,777	94,236
Governance costs	69,240	69,240	69,136
	<u>2,222,958</u>	<u>2,222,958</u>	<u>2,049,628</u>
<i>At 31 August 2017</i>	<u>2,049,628</u>	<u>2,049,628</u>	

During the year ended 31 August 2018, the Academy incurred £8,125 (2017 - £10,995) in relation to Governance costs.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	597,778	520,664
Auditors' remuneration	8,125	7,750
Operating lease rentals	58,729	88,674
	<u>597,778</u>	<u>520,664</u>

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**9. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	5,519,568	5,491,171
Social security costs	512,048	511,275
Operating costs of defined benefit pension schemes	1,148,327	1,142,665
	7,179,943	7,145,111
Agency staff costs	76,864	33,087
Other supply costs	31,842	22,254
Staff restructuring costs	-	7,500
	7,288,649	7,207,952

Staff restructuring costs comprise:

Severance payments	-	7,500
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**b. Non-statutory/non-contractual staff severance payments**

There were no amounts included in expenditure for non-statutory/non-contractual severance payments (2017 - £7,500)

**c. Staff numbers**

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

	2018 No.	2017 No.
Cumulative total	243	242

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teaching staff	89	92
Admin and support staff	84	84
	173	176

**d. Higher paid staff**

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	2	2

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. STAFF COSTS (continued)**

All employees above participated in the Teachers' Pension Scheme and during the period pension contributions for these members of staff amounted to £55,687 (2017 - £53,248).

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £656,800 (2017 - £639,400).

**10. GOVERNORS' REMUNERATION AND EXPENSES**

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The Principal and other staff Governors 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 Governors. The value of Governors' remuneration and other benefits was as follows:

		2018	2017
		£	£
Mr D Kay	Remuneration	95,000-100,000	90,000-95,000
	Pension contributions paid	15,000-20,000	15,000-20,000
Mrs S Johnston	Remuneration	95,000-100,000	90,000-95,000
	Pension contributions paid	15,000-20,000	15,000-20,000
Mrs C Robinson	Remuneration	10,000-15,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000
Dr I Barker	Remuneration	40,000-45,000	40,000-45,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Mr G B Edwards	Remuneration	30,000-35,000	30,000-35,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year, 1 Governor received reimbursement of expenses totalling £81 (2017 - 2 Governors received a total of £377).

**11. GOVERNORS' AND OFFICERS' INSURANCE**

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**12. OTHER FINANCE INCOME**

	2018 £	2017 £
Interest income on pension scheme assets	149,000	114,000
Interest on pension scheme liabilities	(245,000)	(205,000)
	(96,000)	(91,000)

**13. TANGIBLE FIXED ASSETS**

	School buildings £	Furniture and fixtures £	Plant and equipment £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 September 2017	11,172,000	824,899	751,453	24,512	1,357,515	14,130,379
Additions	1,979,763	5,996	34,062	-	86,227	2,106,048
At 31 August 2018	13,151,763	830,895	785,515	24,512	1,443,742	16,236,427
<b>Depreciation</b>						
At 1 September 2017	242,870	495,572	89,796	20,950	1,092,279	1,941,467
Charge for the year	259,668	101,207	99,472	1,125	136,306	597,778
At 31 August 2018	502,538	596,779	189,268	22,075	1,228,585	2,539,245
<b>Net book value</b>						
At 31 August 2018	12,649,225	234,116	596,247	2,437	215,157	13,697,182
At 31 August 2017	10,929,130	329,327	661,657	3,562	265,236	12,188,912

The buildings were valued on 13 July 2016 by Kier, on the basis of remaining useful asset life and existing use.

Buildings includes:	2018 £	2017 £
School buildings	12,264,225	10,929,130

The Academy occupies the land and buildings under a mere licence to occupy and can be given 2 years notice under the terms of the Diocese agreement with the Secretary of State. The buildings are capitalised and depreciated on the expectation that the Academy will continue to occupy them for their useful life.

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**Source of funding for assets acquired in the year**

	2018	2017
	£	£
General Annual Grant	126,285	206,655
Condition Improvement Funding	1,809,276	8,310
Betterment Funding	-	376,873
Dfe/EFA Flood insurance	228,540	-
	<b>2,164,101</b>	<b>591,838</b>
	<b>2,164,101</b>	<b>591,838</b>

**14. DEBTORS**

	2018	2017
	£	£
Trade debtors	10,668	14,567
Other debtors	51,624	30,677
Prepayments and accrued income	222,716	443,778
	<b>285,008</b>	<b>489,022</b>
	<b>285,008</b>	<b>489,022</b>

**15. CREDITORS: Amounts falling due within one year**

	2018	2017
	£	£
Trade creditors	224,352	195,233
Other taxation and social security	125,384	127,705
Other creditors	164,800	118,755
Accruals and deferred income	208,010	309,499
	<b>722,546</b>	<b>751,192</b>
	<b>722,546</b>	<b>751,192</b>

	2018	2017
	£	£
<b>Deferred income</b>		
Deferred income at 1 September	97,035	97,035
Resources deferred during the year	137,955	174,547
Amounts released from previous years	(97,035)	(97,035)
	<b>137,955</b>	<b>174,547</b>
	<b>137,955</b>	<b>174,547</b>

Included within accruals and deferred income is deferred income amounting to £124,156 (2017 - £174,547). Of this £2,504 (2017 - £6,509) relates to monies from the Local Authority, £19,101 (2017 - £53,448) relates to monies from the ESFA received in advance of the 2017/18 academic year and £73,735 (2017 - 78,735) relates to a contract for the supply of catering services.

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**16. CAPITAL COMMITMENTS**

At 31 August 2018 the Academy had capital commitments as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in these financial statements	-	1,819,530
	<u>                    </u>	<u>                    </u>

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**17. PENSION COMMITMENTS**

The Academy'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 Cumbria 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 2018.

Contributions amounting to £118,853 were payable to the schemes at 31 August 2018 (2017 - 118,755) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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 £617,961 (2017 - £628,330).

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](http://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 an unfunded multi-employer pension scheme. The

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**17. PENSION COMMITMENTS (continued)**

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 2018 was £355,614 (2017 - £333,069), of which employer's contributions totalled £262,545 (2017 - £245,035) and employees' contributions totalled £93,069 (2017 - £88,034). The agreed contribution rates for future years are 15.9% for employers and 5.5% - 12.5% for employees.

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

Deficit contributions amounting to £109,207 (2017 - £95,656) have been paid during the year.

Trinity School A Church of England Academy expects to contribute £377,000 to its Defined benefit pension scheme in 2018.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.40 %
Rate of increase in salaries	3.60 %	3.70 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.10 %	2.20 %

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

	2018	2017
Retiring today		
Males	23.2	23.1
Females	25.8	25.7
Retiring in 20 years		
Males	25.5	25.4
Females	28.5	28.4

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**17. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	3,258,000	2,938,000
Government bonds	1,171,000	1,092,000
Property	609,000	486,000
Other bonds	-	-
Other bonds	422,000	384,000
Cash/liquidity	395,000	324,000
Other	837,000	774,000
	<u>6,692,000</u>	<u>5,998,000</u>
Total market value of assets	<u>6,692,000</u>	<u>5,998,000</u>

The actual return on scheme assets was £303,000 (2017 - £442,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost	(525,000)	(509,000)
Interest income	149,000	114,000
Interest cost	(245,000)	(205,000)
Admin expenses	(9,000)	(9,000)
	<u>(630,000)</u>	<u>(609,000)</u>
Total	<u>(630,000)</u>	<u>(609,000)</u>
Actual return on scheme assets	<u>303,000</u>	<u>442,000</u>

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

	2018 £	2017 £
Opening defined benefit obligation	10,166,000	9,673,000
Current service cost	525,000	509,000
Interest cost	245,000	205,000
Employee contributions	90,000	88,000
Actuarial gains	(992,000)	(254,000)
Benefits paid	(62,000)	(55,000)
	<u>9,972,000</u>	<u>10,166,000</u>
Closing defined benefit obligation	<u>9,972,000</u>	<u>10,166,000</u>

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**17. PENSION COMMITMENTS (continued)**

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

	<b>2018</b>	<b>2017</b>
	£	£
Opening fair value of scheme assets	<b>5,998,000</b>	5,263,000
Return on plan assets (excluding net interest on the net defined pension liability)	<b>149,000</b>	114,000
Actuarial losses	<b>154,000</b>	261,000
Employer contributions	<b>372,000</b>	336,000
Contributions by employees	<b>90,000</b>	88,000
Administration expenses	<b>(9,000)</b>	(9,000)
Benefits paid	<b>(62,000)</b>	(55,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	<b>6,692,000</b>	5,998,000
	<hr/> <hr/>	<hr/> <hr/>

**18. OPERATING LEASE COMMITMENTS**

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2018</b>	As restated <b>2017</b>
	£	£
<b>Amounts payable:</b>		
Within 1 year	<b>48,261</b>	52,189
Between 1 and 5 years	<b>61,587</b>	77,039
	<hr/>	<hr/>
Total	<b>109,848</b>	179,010
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. STATEMENT OF FUNDS**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
General Funds - all funds	208,138	48,074	(116,004)	-	-	140,208
<b>Restricted funds</b>						
General Annual Grant (GAG)	423,065	7,708,844	(7,723,143)	-	-	408,766
Pupil premium	44,998	235,231	(249,815)	-	-	30,414
Other grants	144,401	526,748	(602,677)	-	-	68,472
Other activities	106,788	663,374	(316,947)	(245,971)	-	207,244
Pension reserve	(4,168,000)	-	(258,000)	-	1,146,000	(3,280,000)
	<u>(3,448,748)</u>	<u>9,134,197</u>	<u>(9,150,582)</u>	<u>(245,971)</u>	<u>1,146,000</u>	<u>(2,565,104)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	11,056,776	-	(305,509)	-	-	10,751,267
Dfe/EFA Capital grants	1,033,260	1,809,276	(260,765)	245,971	-	2,827,742
Dfe/EFA Flood insurance	63,566	-	(31,504)	-	-	32,062
Yr 11 Cafe Refurbishment	15,000	5,000	-	-	-	20,000
	<u>12,168,602</u>	<u>1,814,276</u>	<u>(597,778)</u>	<u>245,971</u>	<u>-</u>	<u>13,631,071</u>
Total restricted funds	<u>8,719,854</u>	<u>10,948,473</u>	<u>(9,748,360)</u>	<u>-</u>	<u>1,146,000</u>	<u>11,065,967</u>
Total of funds	<u><u>8,927,992</u></u>	<u><u>10,996,547</u></u>	<u><u>(9,864,364)</u></u>	<u><u>-</u></u>	<u><u>1,146,000</u></u>	<u><u>11,206,175</u></u>

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

Unrestricted funds includes income and expenditure for lettings and bank interest.

General Annual Grant (GAG) must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG. Of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes.

The Pupil Premium is additional funding for publicly funded schools in England to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers.

Other grants include income and expenditure for SEN, 16-18 bursary and Further Education.

Insurance funding in respect of the damage due to the floods caused by Storm Desmond.

Other activities includes income and expenditure for trips, exams and courses.

The pension reserve relates to the Charitable Company's share of the deficit of the Local Government Pension Scheme.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS (continued)**

Academy buildings are included based on the Kier valuation in 2017. Assets on conversion include those transferred from the local authority in the same and subsequent years. The transfer from restricted general funds represents expenditure on fixed assets transferred to the restricted fixed asset fund, mainly depreciation.

The transfer between restricted funds and restricted fixed asset funds amounting to £245,971 is the combination of funding used to complete purchases relating to the construction of the sports arena along with flood income and Devolved Capital Formula used for this and other fixed asset additions.

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
<b>General funds</b>						
Unrestricted fund	188,964	51,095	(20,941)	(10,980)	-	208,138
<b>Restricted funds</b>						
General Annual Grant (GAG)	767,363	7,520,534	(7,726,476)	(138,356)	-	423,065
Pupil premium	15,690	247,716	(218,408)	-	-	44,998
Other grants	104,690	540,092	(500,381)	-	-	144,401
Dfe/EFA Flood insurance	8,337	-	(8,337)	-	-	-
Other activities	34,127	297,848	(226,167)	980	-	106,788
Pension reserve	(4,410,000)	-	(273,000)	-	515,000	(4,168,000)
	<u>(3,479,793)</u>	<u>8,606,190</u>	<u>(8,952,769)</u>	<u>(137,376)</u>	<u>515,000</u>	<u>(3,448,748)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	7,224,209	-	(305,509)	-	4,138,076	11,056,776
Dfe/EFA Capital grants	1,084,491	-	(189,587)	138,356	-	1,033,260
Dfe/EFA Flood insurance	89,135	-	(25,569)	-	-	63,566
Yr 11 Cafe Refurbishment	-	5,000	-	10,000	-	15,000
	<u>8,397,835</u>	<u>5,000</u>	<u>(520,665)</u>	<u>148,356</u>	<u>4,138,076</u>	<u>12,168,602</u>
Total restricted funds	<u>4,918,042</u>	<u>8,611,190</u>	<u>(9,473,434)</u>	<u>10,980</u>	<u>4,653,076</u>	<u>8,719,854</u>
Total of funds	<u><u>5,107,006</u></u>	<u><u>8,662,285</u></u>	<u><u>(9,494,375)</u></u>	<u><u>-</u></u>	<u><u>4,653,076</u></u>	<u><u>8,927,992</u></u>

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A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
Unrestricted fund	188,964	99,169	(136,945)	(10,980)	-	140,208
<b>Restricted funds</b>						
General Annual Grant (GAG)	767,363	15,229,378	(15,449,619)	(138,356)	-	408,766
Pupil premium	15,690	482,947	(468,223)	-	-	30,414
Other grants	104,690	1,066,840	(1,103,058)	-	-	68,472
Dfe/EFA Flood insurance	8,337	-	(8,337)	-	-	-
Other activities	34,127	961,222	(543,114)	(244,991)	-	207,244
Pension reserve	(4,410,000)	-	(531,000)	-	1,661,000	(3,280,000)
	<u>(3,479,793)</u>	<u>17,740,387</u>	<u>(18,103,351)</u>	<u>(383,347)</u>	<u>1,661,000</u>	<u>(2,565,104)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	7,224,209	-	(611,018)	-	4,138,076	10,751,267
Dfe/EFA Capital grants	1,084,491	1,809,276	(450,352)	384,327	-	2,827,742
Dfe/EFA Flood insurance	89,135	-	(57,073)	-	-	32,062
Yr 11 Cafe Refurbishment	-	10,000	-	10,000	-	20,000
	<u>8,397,835</u>	<u>1,819,276</u>	<u>(1,118,443)</u>	<u>394,327</u>	<u>4,138,076</u>	<u>13,631,071</u>
	<u>4,918,042</u>	<u>19,559,663</u>	<u>(19,221,794)</u>	<u>10,980</u>	<u>5,799,076</u>	<u>11,065,967</u>
Total of funds	<u><u>5,107,006</u></u>	<u><u>19,658,832</u></u>	<u><u>(19,358,739)</u></u>	<u><u>-</u></u>	<u><u>5,799,076</u></u>	<u><u>11,206,175</u></u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	13,697,180	13,697,180
Current assets	743,076	714,896	53,571	1,511,543
Creditors due within one year	(602,868)	-	(119,680)	(722,548)
Provisions for liabilities and charges	-	(3,280,000)	-	(3,280,000)
	<u>140,208</u>	<u>(2,565,104)</u>	<u>13,631,071</u>	<u>11,206,175</u>

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**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	2017	2017	2017	2017
	£	£	£	£
Tangible fixed assets	-	-	12,188,914	12,188,914
Current assets	208,138	1,391,709	58,422	1,658,269
Creditors due within one year	-	(672,457)	(78,734)	(751,191)
Provisions for liabilities and charges	-	(4,168,000)	-	(4,168,000)
	<u>208,138</u>	<u>(3,448,748)</u>	<u>12,168,602</u>	<u>8,927,992</u>

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

	2018	2017
	£	£
Net income for the year (as per Statement of Financial Activities)	1,132,183	3,305,986
<b>Adjustment for:</b>		
Depreciation charges	597,778	520,644
Revaluation of fixed assets	-	(4,138,074)
Dividends, interest and rents from investments	(5,210)	(3,448)
Loss on the sale of fixed assets	-	353
Decrease in debtors	204,014	4,292
Decrease in creditors	(28,646)	(266,337)
Defined benefit pension scheme cost less contributions payable	249,000	264,000
Defined benefit pension scheme finance cost	9,000	9,000
<b>Net cash provided by/(used in) operating activities</b>	<u>2,158,119</u>	<u>(303,584)</u>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018	2017
	£	£
Cash in hand	1,226,531	1,169,250
<b>Total</b>	<u>1,226,531</u>	<u>1,169,250</u>

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**23. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which Governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

C Jefferson was paid £5,000 (2017 - £Nil) by the Academy for services regarding the design, construction, and tendering of the sports hall. This was approved by the governors.

Trinity School (Carlisle) Limited is a charitable company which has been in existence for over forty years. The main purpose of the Charity is to assist the school in areas where public funding may not be available. It regularly assists needy students, partly funds extra-curricular activities and also assist with building repairs. The directors of the Charity are all governors of the Academy. The Charity received income of £9,697 (2017 - £8,537) and incurred expenditure of £6,982 (2017 - £10,428) resulting in a net surplus for the year end 5th April 2018 of £2,715 (2017 - deficit of £1,891).

Governors' emoluments are disclosed in note 10 to the accounts.

**24. 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.