

# **Trinity Academy**

Annual Report and Financial Statements

31 August 2015

Company registration number  
(England and Wales)  
04916397

**Trinity Academy**  
**Annual Report and Financial Statements**  
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**Trinity Academy**  
**Reference and Administrative Details**

<b>Member</b>	The Emmanuel Schools Foundation
<b>Governors</b>	Mark Harvey Donald Hutton Martin Oldknow Dr Mark Pike Nigel Robson ♦ (chairman)  ♦ <i>member of the finance and audit committee</i>
<b>Principal and Accounting Officer</b>	David Page ♦
<b>Local governing body</b>	Ernest Bridgewater Sally Clifford John Hair Mark Harvey (parent governor) Pastor Graham Johnson Dr Mark Pike (parent governor) Nigel Robson ♦ (chairman)
<b>Senior management team</b>	John Bunce (vice-principal) Andy Martin (vice-principal) Anna Martin (vice-principal) Dr Julie McGonigle (vice-principal) Patricia Rowland ♦ (director of finance)
<b>Registered office</b>	Trinity House, Bede Academy Sixth Avenue Blyth NE24 2SY
<b>School address</b>	Church Balk Thorne Doncaster DN8 5BY
<b>Company number</b>	04916397
<b>Auditors</b>	Kinnair and Company Aston House, Redburn Road Newcastle upon Tyne NE5 1NB
<b>Bankers</b>	Barclays Bank plc 71 Grey Street Newcastle upon Tyne NE99 1JA

The governors present their annual report and financial statements for the year ended 31 August 2015.

### **Structure, governance and management**

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#### ***Constitution***

Trinity Academy (the company, the charitable company, the academy, the school) is a company limited by guarantee (registered number 04916397) and an exempt charity. The company's memorandum and articles of association dated September 2003 are its primary governing documents.

The academy is part of The Emmanuel Schools Foundation (company number 4464331), a network of academies and one city technology college. The Emmanuel Schools Foundation (ESF) is controlled by United Learning Trust which appoints the trustees and Board members the ESF. United Learning Trust is a subsidiary of the United Church Schools Trust which operates a number of independent schools across England. The ultimate controlling organisation is the United Church Schools Foundation Limited.

In January 2012 it was announced that the Emmanuel Schools Foundation and United Learning Trust would separate. A new Board for ESF is now in place and will be extended and strengthened with new appointments to the board and local governing boards as we move to achieve our objective of Multi Academy Trust status.

The governing body of the charitable company is the board of governors who act as the trustees for the charitable activities of the school and are also the directors of the charitable company for the purposes of company law.

The governors who acted during the year and up to the date of this report are shown in the reference and administrative details on page 1.

#### ***Members' Liability***

As a company limited by guarantee, the academy does not have share capital. Every member of the 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.

#### ***Governors' Indemnities***

The academy has purchased insurance to protect governors and officers from negligent acts, errors or omissions occurring whilst on academy business, as set out in note 12 to the financial statements.

#### ***Principal Activities***

The principal activity of Trinity Academy is to provide education for pupils of different abilities between the ages of 11 and 19 in the Thorne and Moorends area of Doncaster, with a specialism of business and enterprise.

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

Five directors were appointed by the board of The Emmanuel Schools Foundation and one was co-opted by the board. In accordance with the governing document, a parent member is also elected. Directors may serve for four years but are eligible for re-election at the meeting at which they retire.

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**Structure, Governance and Management (continued)**

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

Training and induction is provided for all new governors depending on their existing experience. All new governors are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of any governing documents that are relevant to their role.

***Organisational Structure***

The governors are responsible for setting general policies, adopting the development plan and the annual budget, monitoring the school by the use of budgets and making major decisions about the direction of the school, capital expenditure and senior staff appointments. The management of the school is delegated to the Executive Principal and the school's leadership team which consists of an acting principal, four vice principals and four assistant vice principals. The senior management team controls the school at an executive level, ensuring policies agreed by the governors are followed correctly and reporting back to the board. This group are responsible for the authorisation of spending within agreed budget limits and for the appointment of staff. The role of the accounting officer is held by the acting principal.

***Risk Management***

The governors have ensured that the major risks to which the academy is exposed have been identified and that risk management strategies have been implemented.

The governors have developed systems to respond quickly to evolving risks arising from factors within the school and to changes in the external environment including procedures for reporting failings immediately to appropriate levels of management and the trustees, together with details of corrective action being undertaken. They have embedded the control system in the academy's operations so that it becomes part of the culture of the academy and communicated that employees have responsibility for internal control as part of their accountability for achieving objectives.

***Related Parties and other Connected Charities and Organisations***

The school is part of the Emmanuel Schools Foundation (company number 4464331) network of academies and one city technology college. United Learning Trust appoints the trustees and board members to the Emmanuel Schools Foundation. United Learning Trust is a subsidiary of the United Church School Trust which operates a number of independent schools across England. The ultimate controlling organisation is the United Church Schools Foundation Limited.

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**Objectives and Activities**

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***Objects and Aims***

The main objectives of the academy are summarised below:

- to raise the standard of education achievement of all pupils;
- to ensure that every child enjoys the same high quality of education in terms of resourcing, tuition and care;
- to improve the effectiveness of the academy by keeping the curriculum and 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;
- to conduct our business in accordance with the highest standards of integrity, probity and openness.

## Objectives and Activities (continued)

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### ***Objectives, Strategies and Activities***

The school's objectives, strategies and activities are set to reflect the educational aims and the ethos of the school. The key objectives for the year included maintaining and enhancing the academic success and reputation of the school, promoting a two-way community involvement, and encouraging students to support a wide range of charitable projects. To ensure that standards are continually raised both in the short term and long term, the school operates a rigorous programme of monitoring and self evaluation, is visited by inspectors, inter-foundation departmental observations, departmental audits, teaching mentors and undertakes a comprehensive comparison of results from entry to assess student level of progress and added value.

### ***Public Benefit***

The governors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission and they are satisfied that the school's public benefit has been considered when planning its activities for the year and is clearly demonstrated in the achievements for the year which are set out in this report.

### ***Disabled Persons***

The policy of the academy is to support the teaching and employment of disabled persons both in recruitment and by retention of staff and students who become disabled during their time at the academy, as well as generally through training and career development. Lifts, ramps, automatic doors and disabled toilets are installed and door widths are suitable to enable wheelchair access to all the main areas of the academy.

### ***Equal Opportunitites***

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 the contribution and needs of all people are fully valued.

## Achievements and Performance

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### ***Achievements in the year***

David Page, the principal, and his senior team have led the academy through a series of substantial challenges over the last twelve months. The academy has been in "Special Measures", has endured substantial budget reductions and has, as a result, had to undergo staffing restructures within and across departments and the senior team. The school was removed from "Special Measures" in September 2015, and the school budget is balanced, with a leaner staffing structure. Data tracking and assessment has continued to improve markedly over the course of the year, such that Her Majesty's Inspectors were keen to praise the academy's systems and processes in their most recent monitoring visit. Much work has gone on to raise the quality of teaching and learning, including an extensive in-house staff development programme and high quality external scrutiny.

The 2015 results have been a source of encouragement, and a key marker on the academy's journey from "Special Measures" towards good or better in the future. 54% of students achieved 5+ A\*-C including English and mathematics (up from 51% in 2014), and 30% of students achieved the EBacc (up from 23% in 2014). 61% of students made "expected progress" in mathematics (up from 53% in 2014), although 74% of students made "expected progress" in English (which was down on the 79% achieved in 2014). In "more than expected progress" in both English and mathematics, improvements were made on that achieved in 2014. At A-Level, an average of 217 QCA points were scored per entry, with an ALPs score of 0.93 ("outstanding"). Many sixth form students have gone on to study for degrees at a wide range of Russell Group and non-Russell Group universities.

## **Achievements and Performance (continued)**

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### ***Achievements in the year (continued)***

The academy promotes community involvement by making its facilities available to individuals, groups and businesses in the surrounding area for sport and conference facilities. The academy has plans to further enhance this provision to ensure we are fully utilising facilities entrusted to us whilst involving the wider community.

Students are actively encouraged to support projects both at home and abroad and the fundraising activities this year included fun run, cross country, Christmas fair and Trinity's got talent competition. The charities which benefited were Cambodia Action £1,700, Cancer Research £1,800 and Bluebell Wood £1,800. We also raised £25 for the Royal British Legion.

### ***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 Statement of Accounting Policies.

### ***Key Financial Performance Indicators***

The Governors approved the budget for the period 1 September 2014 – 31 August 2015 and forecasted a revenue surplus of £32,646, before depreciation charges, actual result was a revenue surplus of £75,000. Staffing costs were budgeted at 78.9% of total income and actual costs were 80.2% ; Premises expenditure was budgeted at 6.2% and final expenditure totalled 6.39%; Other supplies and services were budgeted at 15% and final expenditure was 13% of total income; Educational supplies was budgeted at 5.83% and actual results were 4.26%. At the census date in October 2014, the student population dropped below the permitted funding level and as a consequence £330k will be clawed back to the EFA from reserves. The budget was revised mid year to account for this and restructuring took place to ensure a revenue surplus.

## **Financial Review**

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### ***Review of the Financial Position of the Academy***

Most of the academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, or from Doncaster Local Education Authority (LEA), the use of which is restricted to particular purposes. The grants received during the year and the associated expenditure are shown as restricted funds in the statement of financial activities.

Expenditure for the year was mainly covered by grants from the EFA, LEA and other income. The revenue surplus for the year was £48,000 before transfers. This was after absorbing £54,000 of pension performance costs.

At 31 August 2015 the net book value of tangible fixed assets was £19,709,000, and movements in tangible fixed assets are shown in Note 13 to the accounts. The assets are used exclusively for providing education and associated support services to the pupils of the academy. The balance sheet restricted fixed asset fund is reduced by transfers of amounts equivalent to any depreciation charges over the expected useful life of the assets concerned to agree to the net book value.

The academy held fund balances at 31 August 2015 of £19,180,000 comprising £19,709,000 in the restricted fixed asset fund, a surplus of £248,000 for unrestricted income funds and a deficit of £777,000 for restricted income funds (which includes the pension scheme deficit of £818,000).

**Financial Review (continued)**

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***Review of the Financial Position of the Academy (continued)***

The pension scheme liability relates to a non-cash provision for the academy's share of the Local Government Pension Scheme and under the funding agreement the academy must show this pension liability on the balance sheet. However should operations cease this pension liability would be funded by the Department for Education.

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

The school's financial objectives, policies and risk management objectives are set and monitored by the central finance team of the companies immediate parent.

***Principal Risks and Uncertainties***

The principal risk areas for the academy are the protection of pupils, employees and assets, and systems and procedures to minimise these are constantly being reviewed and updated. In educational terms the Ofsted judgement of "Special Measures" exposed the academy to a range of additional uncertainties, especially around student numbers. With the removal of "Special Measures", many of these uncertainties have dissipated. Trinity Academy remains over subscribed in Year 7 and Sixth Form numbers are steady and sure.

The academy has Safeguarding and Child Protection policies in place which focus on the need to ensure that its pupils are safe, feel safe and are fully supported in this respect by their school. These policies also provide a framework for the academy to develop secure processes for identifying and supporting pupils at risk of abuse. The implementation and effectiveness of these policies and procedures, which adhere to DfE guidelines on safeguarding and child protection, are regularly monitored and reviewed.

A large proportion of the academy's costs relate to staff costs which are relatively fixed each year. There is a risk that a significant drop in grant income may lead to an inability to cover such costs. Senior management and directors aim to keep abreast of proposed changes to funding streams and these are taken into account when preparing financial forecasts.

***Reserves Policy***

In order to alleviate the financial risks identified by the risk assessment and guarantee the continued activities of the school, the governing body will accumulate a minimum reserve of £200,000. The financial risk to the academy is balanced alongside the academy's vision to maintain the highest levels of educational provision for its beneficiaries. The governing body will therefore set a maximum limit for its reserve funds of £1,000,000. Reserves held in excess of the maximum limit will be reviewed by the governing body on a regular basis and an appropriate range of options will be considered. These might include releasing funds into the revenue budget in furtherance of the academy's objectives or re-investing the funds to generate extra income for the academy's activities. The reserves policy is reviewed annually taking into account new risks that have emerged. The current level of free reserves (total funds less the amount held in fixed asset restricted funds) is £289,000 .

***Investments Policy***

The governors have the power to invest monies of the charitable company, not immediately required for the furtherance of its objects, as they see fit.

**Plans for Future Periods**

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As the academy enters its twelfth year, a sustained improvement in educational outcomes remains the major challenge. The change at principal level, the recruitment of new leaders and a more rigorous approach to data analysis and self evaluation is already impacting beneficially upon results at KS4 and KS5, and this is set to continue. The drive of an accelerated pace of educational improvement has been led by the principal, the executive principal, the School Improvement Board (which includes four LGB members), and specialist support from a variety of sources both within and beyond the Emmanuel Schools Foundation. Curriculum development is geared to enhance the academy's ability to offer courses increasingly suited to student's individual aptitudes and interests, particularly at post-14 and post-16. The academy intends to enhance its focus on its gifted and talented students to enhance their outcomes. The academy has recently opened an impressive sixth form extension in order to improve its overall offer to current and prospective students.

**Disclosure of Information to Auditors**

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In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors have taken all the steps they ought to have taken as company directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Approval**

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This report was approved by the governing body on . . . . . and signed on its behalf by.

Nigel Robson  
Governor

## Trinity Academy Governance Statement

### Scope of Responsibility

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As governors, we acknowledge we have overall responsibility for ensuring that Trinity 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 principal, 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 Academy and the Secretary of State for Education. He is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

### Governance

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The information on governance included here supplements that described in the governors' report and in the statement of governors' responsibilities. The governing body has formally met three times during the year. Attendance at meetings of the governing body was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mark Harvey	-	3
Donald Hutton	2	3
Martin Oldknow	2	3
Dr Mark Pike	2	3
Nigel Robson	2	3

The local governing body met six times during the year. Attendance was as follows:

<b>Local governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Ernest Bridgewater	5	6
Sally Clifford	4	6
John Hair	6	6
Mark Harvey (parent governor)	6	6
Pastor Graham Johnson	6	6
Martin Oldknow	6	6
Dr Mark Pike (parent governor)	6	6
Nigel Robson	6	6

### Review of Value for Money

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As accounting officer the principal 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

## **Trinity Academy Governance Statement**

### **Raising student attainment/improving examination results**

Trinity Academy provides an improving quality of education to the students of Thorne and Moorends, South Yorkshire. Although recently in 'Special Measures' the academy has improved the provision it offers and has achieved "making reasonable progress" in both of the last two HMI led inspections (July and December 2014). In September 2015, the school was removed from 'Special Measures' by Her Majesty's Inspectors.

Trinity Academy enjoyed a period where our provision was rated as outstanding under the Ofsted framework. We are intent on regaining that designation.

In relation to academic outcomes, the academy achieved 54% for the benchmark 5+ A\*-C including English and maths in summer 2015, which was an improvement on the 51% achieved in summer 2014. This was slightly lower than the figure predicted but represented a pleasing achievement in the face of difficult circumstances. The 'EBacc' figure was 30%, which was a marked improvement on the 23% achieved in summer 2014, and was above the National Average of 24%. In terms of Levels of Progress, English 3LP was 74% and 4LP 38%. In mathematics, 3LP was 61% and 4LP was 22%. Each of these figures represents either stability or improvement on the 2014 results.

In relation to the impact of Pupil Premium funding, it is clear that this additional funding is having an impact on the academic outcomes of the most disadvantaged students, but this is still very much a work in progress. The gap between "disadvantaged" and "non-disadvantaged" students gaining 5+ A\*-C has been less than the National Average gap for the last three years (-22% in 2013, -23% in 2014, -24% in 2015, with National Average at -26%). Although this is a reasonably pleasing picture, we are not seeing the gap closing to the extent that we would like, and this will be a key focus of the Academy over the coming year. Equally, the gap between the same groups gaining "The Basics" (A\*-C grades in both English and mathematics) has been less than the National Average gap for the last three years (-19% in 2013, -23% in 2014, -23% in 2015, with National Average at -25%), but we are keen to see these gaps close at a faster rate. The percentage of disadvantaged students gaining EBacc in 2015 was low, but we regard this as nothing more than an anomaly, specific to this cohort.

In the Sixth Form, an ALPS grading of +0.93 was achieved for the quality and breadth of curriculum, which is an improvement on the +0.78 achieved in 2014 and on the +0.69 achieved in 2013. Using the QCA measure of points score per entry, a measure of 217 was achieved at A-Level, compared with 199 in 2014.

Attendance remains buoyant at just over 95% and student discipline and behaviour remains typically good or better, as shown by the recent positive comments from HMI Marianne Jones. Our attendance places us in the top three secondary schools in Doncaster.

### **Robust governance and oversight of the academy's finances**

Monitoring of the academy's internal controls is carried out by Kinnair & Company (the external auditors) and gives assurance that controls are in place and carried out in accordance to set policies and procedures.

Financial control is managed by a central resource and comprehensive budgeting and monitoring together with the production of timely management accounts are produced and reviewed by the accounting officer and members of the local governing boards. Joint tendering exercised is frequently carried out between the Emmanuel Schools Foundation schools to achieve economies of scale.

All major capital projects and financial costs associated with the academy's development plan are approved by the governors.

As a direct result of another year of budget cuts, the staffing structure and curriculum have been reviewed once again with staff being deployed as efficiently as possible, as we seek to ensure that the education of the students is not compromised.

## **Trinity Academy Governance Statement**

### **Robust governance and oversight of the academy's finances (continued)**

Shared services are used across the foundation of schools to ensure value for money is being achieved.

Targets are set to measure financial and other performances and are reviewed by the accounting officer and governors.

Clearly defined purchasing guidelines have been put in place with delegated lines of authority and segregation of duties.

Risks have been identified and managed and are updated on a regular basis.

Contracts are reviewed to ensure we receive value for money whilst ensuring quality and effectiveness. Procurement of IT is managed centrally to ensure the academy benefits from bulk purchasing of capital items and software supplies.

The governors and senior staff apply the principals of best value when making decisions about the allocation of resources to best promote the aims and values of the school, targeting resources to best improve standards and the quality of the provision and the use of resources to best support the various educational needs of all pupils.

### **Ensuring the Academy demonstrates good value from money and effective use of resources**

Tender exercises are carried out regularly to ensure that high value purchases are competitive in the market place. All tenders are carried out in accordance with set policies and procedures.

### **Maximising income generation**

The Emmanuel Schools Foundation centrally employs a business development manager that actively seeks to maximise income through the hire of the academy's facilities.

### **Reviewing controls and managing risks**

Monthly management accounts are produced and reviewed by the Finance Director and the Principal and any significant variances that may have an impact on budgets are addressed and rectified. Insurance levels are reviewed annually and used cost-effectively to manage risks. The governors review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors have determined that an appropriate level of free reserves should be maintained. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to plan for future capital projects.

The academy ensures that all surplus cash balances are invested in an interest bearing account to maximise interest earning potential.

### **Reviewing budget holders accounts**

Budget holders receive regular budget reports which are scrutinised to ensure the most effective use of resources to meet the objectives of the academy. These reports are reviewed on a monthly basis and all transactions and up to date balances are available on the web portal to be viewed and monitored by budget holders and finance staff. Curriculum and any new strategies are identified in the academy development plan.

## **Trinity Academy Governance Statement**

### **The Purpose of the System of Internal Control**

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The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the academy's 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 for Trinity Academy for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

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The governing body has reviewed the key risks to which the academy 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 on-going process for identifying, evaluating and managing the academy's significant risks that has been in place for the year to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

### **The Risk and Control Framework**

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The academy'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 annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the governors have appointed Kinnair and Company, the external auditor, to perform additional checks.

The external auditors' role includes performing a range of checks on the academy's financial systems. On a quarterly basis the auditors report to the accounting officer on the operation of the systems of control and provide information to assist the governing body discharge their financial responsibilities.

The governors confirm that the external auditors have delivered their schedule of work as planned. The work performed revealed no material control weaknesses.

**Trinity Academy  
Governance Statement**

**Review of Effectiveness**

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

- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy 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 and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

**Approval**

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This report was approved by the governing body on . . . . . and signed by its order.

Nigel Robson  
Governor

David Page  
Accounting officer

**Trinity Academy**  
**Statement on Regularity, Propriety and Compliance**

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

I confirm that I and the academy's governing body 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.

I confirm that no instances of material irregularity, impropriety of 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 governors and the EFA.

David Page  
Accounting officer

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**Trinity Academy**  
**Statement of Governors' Responsibilities**

The governors (who act as trustees for the charitable activities of Trinity Academy and 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 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 in the Charities SORP;
- 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 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 the EFA/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 order of the members of the governing body on . . . . . and signed on its behalf by:

Nigel Robson  
Chairman

**Trinity Academy**  
**Independent auditors' report**  
**to the Members of Trinity Academy**

We have audited the accounts of Trinity Academy for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Annual Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Governors' Responsibilities (set out on page 14), the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the accounts**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' Report for the financial year for which the accounts are prepared is consistent with the financial statements.

**Trinity Academy  
Independent auditors' report  
to the governors of Trinity Academy (continued)**

**Matters on which we are required to report by exception**

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

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

Mai Mak BSc FCA  
Senior Statutory Auditor

for and on behalf of  
Kinnair and Company  
Accountants and Statutory Auditors

Aston House  
Redburn Road  
Newcastle upon Tyne  
NE5 1NB

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## **Trinity Academy**

### **Independent reporting auditors' assurance report on regularity to Trinity Academy and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 9 October 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trinity Academy during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Trinity Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Trinity Academy and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Trinity Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Trinity Academy accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of Trinity Academy funding agreement with the Secretary of State for Education dated May 2002 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- Documentation, evaluation and testing of internal controls;
- Establishing the intended purpose of grant funding;
- Performing substantive tests on relevant expenditure;

**Trinity Academy**  
**Independent reporting auditors' assurance report on regularity to Trinity Academy**  
**School 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 period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mai Mak BSc FCA  
Senior Statutory Auditor  
for and on behalf of Kinnair and Company  
Statutory Auditors, Newcastle upon Tyne

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## Trinity Academy

### Statement of Financial Activities for the year ended 31 August 2015 (incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted funds £000	Restricted income funds £000	Restricted fixed asset funds £000	2015 Total £000	2014 Total £000
<b>Incoming resources</b>						
Incoming resources from generated funds:						
- Voluntary income		-	-	-	-	-
- Activities for generating funds	3	280	-	-	280	283
- Investment income	4	1	-	-	1	12
Incoming resources from charitable activities:						
- Funding for the academy's educational operations	5	-	7,682	27	7,709	8,680
<b>Total incoming resources</b>		<b>281</b>	<b>7,682</b>	<b>27</b>	<b>7,990</b>	<b>8,975</b>
<b>Resourced expended</b>						
Charitable activities:						
- Academy's educational operations	7	255	7,634	676	8,565	9,496
Governance costs	8	-	26	3	29	40
<b>Total resources expended</b>		<b>255</b>	<b>7,660</b>	<b>679</b>	<b>8,594</b>	<b>9,536</b>
<b>Net incoming resources before transfers</b>		<b>26</b>	<b>22</b>	<b>(652)</b>	<b>(604)</b>	<b>(561)</b>
Gross transfers between funds	9	(33)	(52)	85	-	-
<b>Net incoming resources before other recognised gains and losses</b>		<b>(7)</b>	<b>(30)</b>	<b>(567)</b>	<b>(604)</b>	<b>(561)</b>
<b>Other recognised gains or losses</b>						
Actuarial gains or losses on defined benefit pension schemes	23	-	(172)	-	(172)	124
<b>Net movement in funds</b>		<b>(7)</b>	<b>(202)</b>	<b>(567)</b>	<b>(776)</b>	<b>(437)</b>
Balances brought forward at September		255	(575)	20,276	19,956	20,393
<b>Funds carried forward at 31 August</b>		<b>248</b>	<b>(777)</b>	<b>19,709</b>	<b>19,180</b>	<b>19,956</b>

All of the academy's activities derive from continuing operations during the above two financial years.

**Trinity Academy  
Balance Sheet  
as at 31 August 2015**

	<b>Notes</b>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Fixed assets</b>			
Tangible assets	13	19,709	20,276
<b>Current assets</b>			
Debtors	14	223	445
Cash at bank and in hand		819	649
		<u>1,042</u>	<u>1,094</u>
<b>Creditors: amounts falling due within one year</b>	15	(753)	(822)
<b>Net current assets</b>		<u>289</u>	<u>272</u>
<b>Net assets excluding pension liability</b>		<u>19,998</u>	<u>20,548</u>
Defined benefit pension scheme liability	23	(818)	(592)
<b>Net assets including pension liability</b>		<u>19,180</u>	<u>19,956</u>
<b>The funds of the academy</b>			
Restricted funds:			
- Fixed asset fund	16	19,709	20,276
- General annual grant fund	16	-	-
- General reserve	16	41	17
- Pension reserve	16	(818)	(592)
		<u>18,932</u>	<u>19,701</u>
Unrestricted funds:			
- General reserve	16	248	255
		<u>248</u>	<u>255</u>
<b>Total funds</b>		<u>19,180</u>	<u>19,956</u>

The financial statements on pages 19 to 37 were approved by the governors and authorised for issue on ..... and signed on their behalf by:

Nigel Robson  
Governor

**Trinity Academy**  
**Cash Flow Statement**  
**for the year ended 31 August 2015**

	Notes	2015 £000	2014 £000
<b>Net cash inflow from operating activities</b>	18	255	254
Returns on investments and servicing of finance	19	1	12
Capital expenditure	19	(86)	(1,502)
<b>Increase/(decrease) in cash in the year</b>		<u>170</u>	<u>(1,236)</u>
 <b>Reconciliation of net cash flow to movement in net funds</b>			
<b>Increase/(decrease) in cash in the year</b>		170	(1,236)
<b>Change in net debt</b>	20	<u>170</u>	<u>(1,236)</u>
Net funds at 1 September		649	1,885
<b>Net funds at 31 August</b>		<u>819</u>	<u>649</u>

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**1 Statement of Accounting Policies**

***Basis of Preparation***

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the recommendations of Statement of Recommended Practice: Accounting and Reporting by Charities issued by the Charity Commission (SORP 2005), the Academies Accounts Direction issued by the Education Funding Agency (EFA), and the Companies Act 2006. The current accounting period covers 12 months to 31 August 2015. The corresponding amounts are for the 12 month period to 31 August 2014.

A summary of the principal accounting policies, which have been consistently applied, is set out below.

***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 company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

***Incoming Resources***

All incoming resources are recognised when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance within restricted funds. Capital grants are recognised when they are receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are carried forward within the restricted fixed asset fund.

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

Other income is recognised in the period that the service or supply is completed or provided.

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

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**1 Statement of Accounting Policies (continued)**

***Resources Expended***

Expenditure is charged on an accruals basis inclusive of irrecoverable VAT. Where costs cannot be directly attributable to particular headings they have been allocated on a basis consistent with the use of resources or on the basis of staff headcount.

Costs of generating funds are those costs incurred in trading activities that raise funds.

The cost of charitable activities are those costs incurred on the academy's educational operations.

Governance costs includes expenditure on the academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

***Tangible Fixed Assets***

All fixed assets are initially recorded at cost and depreciated over their useful economic life. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, the related grants are credited to a specific restricted fixed asset fund which is reduced over time on a basis consistent with the depreciation policy. The de minimis level for the capitalisation of assets is £500.

All assets are reviewed on an on-going basis to ensure that the net book value of fixed assets is reasonable and gives a true representation of the value in use.

All assets under construction are capitalised within the balance sheet and depreciated when these are considered fit for purpose.

Freehold land and buildings	over 50 years
Fixtures and fittings	over 5 years
Computer equipment	over 5 years
Motor vehicles	over 5 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

***Taxation***

The academy 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, it is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**1 Statement of Accounting Policies (continued)**

***Pensions***

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes which are contracted out of the State Earnings-Related Pension Scheme (SERPS), and the assets are held separately from those of the academy.

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 quinquennial valuations using a prospective benefit method. The TPS is a multi employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

***Fund accounting***

The academy operates restricted and unrestricted funds. Restricted funds relate to amounts received which have been specified for a particular use by the donor. All other funds are unrestricted funds which the charitable company may use for its charitable purposes at its discretion. Within unrestricted funds, the academy may designate certain funds for specific purposes.

**2 General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended 31 August 2015.

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**3 Activities for Generating Funds**

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
Facilities hire	25	-	25	17
Catering income	255	-	255	260
Recharged expenses	-	-	-	6
	<u>280</u>	<u>-</u>	<u>280</u>	<u>283</u>

**4 Investment Income**

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
Interest on cash deposits	1	-	1	12
	<u>1</u>	<u>-</u>	<u>1</u>	<u>12</u>

**5 Funding for the Academy's Educational Operations**

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
<b>DfE / EFA grants</b>				
General annual grant GAG	-	7,122	7,122	8,078
Capital grants	-	27	27	52
Other DfE / EFA grants	-	441	441	436
	<u>-</u>	<u>7,590</u>	<u>7,590</u>	<u>8,566</u>
<b>Other government grants</b>				
Local authority revenue grants	-	73	73	84
	<u>-</u>	<u>73</u>	<u>73</u>	<u>84</u>
<b>Other income</b>				
Government sources (non-grant)	-	-	-	10
Non-government sources - revenue	-	46	46	20
	<u>-</u>	<u>46</u>	<u>46</u>	<u>30</u>
	<u>-</u>	<u>7,709</u>	<u>7,709</u>	<u>8,680</u>

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**6 Resources expended**

	<b>Staff costs £000</b>	<b>Non-pay expenditure Premises £000</b>	<b>Other costs £000</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
Costs of the academy's educational operations:					
- Direct costs	5,628	590	344	6,562	7,462
- Allocated support costs	812	542	649	2,003	2,034
	<u>6,440</u>	<u>1,132</u>	<u>993</u>	<u>8,565</u>	<u>9,496</u>
Governance costs including allocated support costs	-	-	29	29	40
	<u>6,440</u>	<u>1,132</u>	<u>1,022</u>	<u>8,594</u>	<u>9,536</u>

**Incoming/outgoing resources for the year include:**

	<b>2015 £000</b>	<b>2014 £000</b>
Depreciation of owned fixed assets	676	631
Loss/(profit) on disposal of fixed assets	<u>4</u>	<u>7</u>

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**7 Costs of the academy's educational operations**

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
<b>Direct costs</b>				
Teaching and educational support staff	-	5,628	5,628	6,370
Depreciation	-	590	590	554
Technology costs	-	7	7	15
Educational supplies	-	112	112	200
Examination fees	-	114	114	133
Staff development	-	32	32	31
Other direct costs	-	79	79	159
	<u>-</u>	<u>6,562</u>	<u>6,562</u>	<u>7,462</u>
<b>Allocated support costs</b>				
Support staff costs	147	665	812	822
Depreciation	-	86	86	81
Technology costs	-	78	78	107
Recruitment and support	-	36	36	42
Maintenance of premises and equipment	-	90	90	97
Cleaning	-	20	20	21
Rent and rates	-	66	66	65
Energy costs	-	216	216	208
Insurance	-	50	50	49
Security	-	64	64	60
Transport	-	4	4	1
Catering	108	52	160	166
Other occupancy costs	-	22	22	20
Bank interest and charges	-	3	3	4
Other support costs	-	296	296	291
	<u>255</u>	<u>1,748</u>	<u>2,003</u>	<u>2,034</u>
Total costs of educational operations	<u>255</u>	<u>8,310</u>	<u>8,565</u>	<u>9,496</u>

**8 Governance costs**

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2015 £000</b>	<b>Total 2014 £000</b>
Legal and professional fees	-	18	18	26
Auditors remuneration:				
- Audit of financial statements	-	8	8	7
- Other services	-	-	-	4
Depreciation	-	3	3	3
	<u>-</u>	<u>29</u>	<u>29</u>	<u>40</u>

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**9 Transfers between funds**

The gross transfer to the restricted fixed asset fund from unrestricted funds represents capital expenditure of £113,000 financed from general funds, less the amount spent out of the Devolved Formula Capital Grant on capital repairs.

<b>10 Staff costs</b>	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	5,005	5,599
Social security costs	369	405
Pension costs	730	788
Other staff costs	-	1
	<hr/>	<hr/>
	6,104	6,793
Supply teacher costs	333	228
Staff restructuring costs	3	171
	<hr/>	<hr/>
	6,440	7,192

Included in wages and salaries costs are non-statutory/non-contractual severance payments totalling £10,000. This included 1 payment of more than £5,000, being £10,000.

<b>Average number of employees during the year:</b>	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
Teaching	95	117
Educational support	52	64
Administration	17	26
	<hr/>	<hr/>
	164	207

<b>Number of staff whose emoluments fell with the following bands:</b>	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
£60,000 to £70,000	4	4
£70,001 to £80,000	-	1
£80,001 to £90,000	1	-
£100,001 to £110,000	-	1
	<hr/>	<hr/>

All of the above staff participated in the teachers' pension scheme. During the year ended 31 August 2015 employers contributions for these staff amounted to £49,966 (2014 - £52,679).

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**11 Related party transactions - governors' remuneration and expenses**

The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as governors. Other governors did not receive payments, other than expenses, from the academy in respect of their role as governors. The value of the principal's remuneration was as follows:

D Page £85,001 to £90,000

There are no staff governors.

Travelling, subsistence or other expenses totalling £515 (2014 - £2,308) were reimbursed to governors during the year.

**12 Governors' and officers' insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5m on any one claim and the cost for the current year was £1,458 (2014 - £1,458). The cost of this insurance is included in the total insurance cost.

**13 Tangible fixed assets**

	<b>Freehold land and buildings £000</b>	<b>Furniture and equipment £000</b>	<b>Computer equipment £000</b>	<b>Motor vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>					
At 1 September	23,531	2,251	1,781	57	27,620
Additions	13	90	10	-	113
Disposals	-	-	(95)	-	(95)
At 31 August 2015	<u>23,544</u>	<u>2,341</u>	<u>1,696</u>	<u>57</u>	<u>27,638</u>
<b>Depreciation</b>					
At 1 September	3,905	2,082	1,301	56	7,344
Charge for the year	471	82	122	1	676
On disposals	-	-	(91)	-	(91)
At 31 August 2015	<u>4,376</u>	<u>2,164</u>	<u>1,332</u>	<u>57</u>	<u>7,929</u>
<b>Net book value</b>					
At 31 August 2015	<u>19,168</u>	<u>177</u>	<u>364</u>	<u>-</u>	<u>19,709</u>
At 31 August 2014	<u>19,626</u>	<u>169</u>	<u>480</u>	<u>1</u>	<u>20,276</u>

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

<b>14 Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	6	6
VAT recoverable	39	237
Prepayments and accrued income	178	202
	<u>223</u>	<u>445</u>

<b>15 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	125	501
Taxation and social security costs	105	123
Other creditors	90	98
Accruals and deferred income	433	100
	<u>753</u>	<u>822</u>

**Deferred income included above:**

Deferred income at 1 September 2014	20	53
Resources deferred in the year	16	20
Amounts released from previous years	(20)	(53)
	<u>16</u>	<u>20</u>

Deferred income comprises grants received specifically for use in the next financial period.

**Trinity Academy**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2015**

**16 Funds**

	At 1 Sep 2014 £000	Incoming resources £000	Resources expended £000	Gains, losses & transfers £000	At 31 Aug 2015 £000
<b>Restricted general funds</b>					
General annual grant (GAG)	-	7,122	(7,046)	(76)	-
Other DfE/EFA grants	17	441	(441)	24	41
Other government grants	-	73	(73)	-	-
Restricted general reserve	-	46	(46)	-	-
Pension reserve	(592)	-	(54)	(172)	(818)
	<u>(575)</u>	<u>7,682</u>	<u>(7,660)</u>	<u>(224)</u>	<u>(777)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	15,817	27	(547)		15,297
Capital expenditure from GAG	1,179	-	(33)	79	1,225
Private sector sponsorship	1,720	-	(60)	-	1,660
Transfers from general funds	1,560	-	(39)	6	1,527
	<u>20,276</u>	<u>27</u>	<u>(679)</u>	<u>85</u>	<u>19,709</u>
<b>Total restricted funds</b>	<u>19,701</u>	<u>7,709</u>	<u>(8,339)</u>	<u>(139)</u>	<u>18,932</u>
<b>Unrestricted income funds</b>					
Unrestricted general reserve	255	281	(255)	(33)	248
<b>Total unrestricted funds</b>	<u>255</u>	<u>281</u>	<u>(255)</u>	<u>(33)</u>	<u>248</u>
<b>Total funds</b>	<u>19,956</u>	<u>7,990</u>	<u>(8,594)</u>	<u>(172)</u>	<u>19,180</u>

The General Annual Grant (GAG) fund must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy was subject to a limit on the amount of GAG it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

The other funds within restricted general funds are used for government and non-government revenues received for specific purposes, except for the pension reserve which reflects the movements and closing deficit relating to the school's share of the local government pension scheme.

The restricted fixed assets funds represent capital grants, sponsorship and other funding received to finance the capital costs of the academy.

The academy is carrying a net deficit on restricted revenue funds of £777,000 - representing a deficit of £818,000 on the restricted pension reserve and a surplus of £41,000 on the Other DfE/EFA grants fund.

**Trinity Academy**  
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**17 Analysis of net assets between funds**

	Unrestricted funds £000	Restricted income funds £000	Restricted fixed asset funds £000	Total funds £000
Fund balances are represented by:				
Tangible fixed assets	-	-	19,709	19,709
Current assets	248	794	-	1,042
Current liabilities	-	(753)	-	(753)
Pension scheme liability	-	(818)	-	(818)
Total net assets	<u>248</u>	<u>(777)</u>	<u>19,709</u>	<u>19,180</u>

**18 Reconciliation of operating surplus/(deficit) to net cash inflow from operating activities**

	2015 £000	2014 £000
Net incoming resources	(604)	(561)
Depreciation charges and loss on disposal of assets	680	638
Capital grants from DfE and other capital income	(27)	(26)
Interest receivable	(1)	(12)
Actuarial gain/(loss) on pension scheme	(172)	124
Decrease/(increase) in debtors	222	(238)
Increase in creditors	157	329
<b>Net cash inflow from operating activities</b>	<u>255</u>	<u>254</u>

**19 Gross cash flows**

	2015 £000	2014 £000
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>1</u>	<u>12</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(113)	(1,528)
Receipts from sales of tangible fixed assets	-	-
Capital grants from DfE/EFA	27	26
	<u>(86)</u>	<u>(1,502)</u>

**20 Analysis of changes in net funds**

	At 1 Sep 2014 £000	Cash flows £000	Non-cash changes £000	At 31 Aug 2015 £000
Cash at bank and in hand	649	170	-	819
	<u>649</u>	<u>170</u>	<u>-</u>	<u>819</u>

**Trinity Academy**  
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**21 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.

**22 Related party transactions**

Owing to the nature of the academy's operations 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 a governor has an interest. All transactions involving such organisations are conducted at arms length and in accordance with the academy's financial regulations and normal procurements procedures. No such transactions took place in the year.

**23 Pension and similar obligations**

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff' and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Council. Both are defined-benefit schemes.

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

Contributions amounting to £90,000 (2014 £96,000) were payable to the schemes at 31 August 2015 and are included within creditors.

***Teachers' Pension Scheme***

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.

**Trinity Academy**  
**Notes to the Financial Statements**  
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**23 Pension and similar obligations (continued)**

***Teachers' Pension Scheme (continued)***

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

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

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

The pension costs paid to TPS in the period amounted to £872,427 (2014: £929,097)

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

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

***Local Government Pension Scheme***

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £250,000, of which employer's contributions totalled £201,000 and employees' contributions totalled £49,000. The agreed contribution rates for future years are 13.4% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in any event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013.

**Trinity Academy**  
**Notes to the Financial Statements**  
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**23 Pension and similar obligations (continued)**

***Local Government Pension Scheme (continued)***

Principal actuarial assumptions:

	<b>At 31 Aug 2015</b>	<b>At 31 Aug 2014</b>
<i>Financial assumptions</i>		
Rate of increase in salaries	4.1%	3.4%
Rate of increase for pensions in payment/inflation	2.3%	2.2%
Discount rate for scheme liabilities	4.0%	4.0%
Inflation increases (CPI)	2.3%	2.2%

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

Retiring today:	Males	23.0	25.1
	Females	25.6	25.5
Retiring in 20 years:	Males	25.3	25.2
	Females	28.4	28.3

**The academy's share of the assets and liabilities in the scheme and the expected rates of return at the year end were:**

	<b>Expected returns</b>		<b>Fair values</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>%</b>	<b>%</b>	<b>£ 000</b>	<b>£ 000</b>
Equities	6.5%	7.0%	1,839	1,736
Property	6.1%	6.2%	356	306
Gilts	2.5%	2.9%	443	372
Other bonds	3.6%	3.8%	183	187
Cash	0.5%	0.5%	56	51
Other	6.5%	7.0%	220	184
Total fair value of assets			3,097	2,836
Present value of scheme liabilities			(3,915)	(3,428)
Net pension asset/(liability)			(818)	(592)

The school employs a building block approach in determining the rate of return for fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed date of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset over the actual asset allocation for the fund at 31 August 2015.

The actual return on scheme assets was £84,000 (2014 - £289,000).

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**23 Pension and similar obligations (continued)**

**Amounts recognised in the statement of financial activities:**

	<b>2015</b> <b>£ 000</b>	<b>2014</b> <b>£ 000</b>
Current service cost	(241)	(226)
Total operating charge	<u>(241)</u>	<u>(226)</u>

**Analysis of pension finance income/(costs)**

	<b>2015</b> <b>£ 000</b>	<b>2014</b> <b>£ 000</b>
Expected return on employers' share of scheme assets	171	146
Interest on pension liabilities	(142)	(142)
Pension finance return / (charge)	<u>29</u>	<u>4</u>

**Actuarial gain or loss recognised in the statement of financial activities:**

	<b>2015</b> <b>£ 000</b>	<b>2014</b> <b>£ 000</b>
Actuarial (loss)/gain for the year	<u>(172)</u>	<u>124</u>

The cumulative amount of actuarial losses recognised since the adoption of FRS 17 is £745,000 (2014 - £573,000)

**Movements in the present value of defined benefit obligations:**

	<b>2015</b> <b>£ 000</b>	<b>2014</b> <b>£ 000</b>
Opening defined benefit obligation	3,428	3,037
Service cost	241	226
Interest cost	142	142
Actuarial loss/(gain) on liabilities	86	(28)
Employee contributions	70	68
Curtailments and settlements	37	-
Benefits paid	(89)	(17)
Closing defined benefit obligation	<u>3,915</u>	<u>3,428</u>

**Trinity Academy**  
**Notes to the Financial Statements**  
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**23 Pension and similar obligations (continued)**

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

	<b>2015</b>	<b>2014</b>
	<b>£ 000</b>	<b>£ 000</b>
Opening fair value of scheme assets	2,836	2,397
Expected return on scheme assets	171	146
Actuarial (loss)/gain on assets	(86)	96
Employer contributions	195	146
Employee contributions	70	68
Benefits paid	(89)	(17)
	<u>3,097</u>	<u>2,836</u>
Closing fair value of scheme assets	<u>3,097</u>	<u>2,836</u>

The estimated value of employer contributions for the year ended 31 August 2016 is £171,000.

**The five year history of experience adjustments is as follows:**

	<b>2015</b>	<b>2014</b>	<b>2,013</b>	<b>2,012</b>	<b>2,011</b>
	<b>£ 000</b>				
Present value of obligations	(3,915)	(3,428)	(3,037)	(2,660)	(1,942)
Fair value of scheme assets	3,097	2,836	2,397	1,947	1,620
	<u>(818)</u>	<u>(592)</u>	<u>(640)</u>	<u>(713)</u>	<u>(322)</u>
Adjustments on share of assets	<u>-</u>	<u>96</u>	<u>141</u>	<u>(55)</u>	<u>(67)</u>
Adjustments on liabilities	<u>-</u>	<u>202</u>	<u>-</u>	<u>-</u>	<u>77</u>

**24 Ultimate controlling party**

The governors consider that the ultimate controlling party of the charitable company is United Church Schools Foundation Limited. The largest group of undertakings for which group accounts have been drawn up is that headed by United Church Schools Foundation Limited.