Registered number: 06897239

TRINITY MULTI ACADEMY TRUST

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

The Very Reverend Jonathan Greener (resigned 26 November 2017)
The Reverend Canon Ian Wildey (representing WDUT) (resigned 26 November 2017)
The Venerable Peter Townley
John McLeod
Tom Miskell
Roy Fisher
Reverend Canon Maggie McLean (appointed 15 December 2017)
Reverend Canon Angela Dick (appointed 15 December 2017)
Reverend Martin McDonald (appointed 15 December 2017)

Directors

Tom Miskell, Chair
Wayne Keating
Professor David Baker, Vice Chair
Louise Bryan
Gareth Davies
Prof. Claire Honess
Wayne Kenny
Michael Gosling, CEO

Company registered number

06897239

Company name

Trinity Multi Academy Trust

Principal and registered office

Shay Lane, Halifax, West Yorkshire, HX2 9TZ

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Company secretary

Schofield Sweeney LLP, Church Bank House, Bradford, BD1 4DY

Senior management team

Mr Michael Gosling, Chief Executive Officer / Accounting Officer
Mr David Sheard, Chief Finance Officer
Mrs Joanne Heyworth, HR Director (Resigned 28 February 2018)
Mr Tony Staneff, Head of External Initiatives
Mr James Franklin-Smith, Executive Principal (Resigned 30 April 2018)
Mr Charlie Johnson, Principal
Mr Nick Robinson, Principal
Mrs Nicki Clarke, Principal
Mrs Emma Hanlon, Principal
Mr Rob Marsh, Principal
Mr Daniel Barlow, Director of ICT and Data

Independent auditors

BHP LLP, 1st Floor, Mayesbrook House, Leeds, LS16 6QY

Bankers

Lloyds Bank Plc, Commercial Street, Halifax, HX1 1BB

Solicitors

Schofield Sweeney LLP, Church Bank House, Bradford, BD1 4DY

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

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

The trust operates a primary academy, two secondary academies and a post-16 college across north Halifax and Wakefield. Its academies have a combined pupil capacity of 3,666 and as at October 2017 census the trust had a total student roll of 3,003.

Structure, governance and management

a. Constitution

The academy trust is a company limited by guarantee not having share capital (registration no. 06897239) and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust which are dated 23 March 2015. The Directors of the trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Trinity Multi Academy Trust (the "academy trust").

The academy trust fulfils an over-arching, and strategic role, ensuring that their vision for the character and ethos of the academies, and its role in the local education system, is carried forward. The Members have less practical involvement in the management of the company, as most day-to-day management decisions are made collectively through the Directors and the CEO, both appointed by the Members. .

Details of the Directors who served during the year are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while 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.

c. Directors' indemnities

Members' and Directors' indemnity provisions are detailed in Note 26 to the financial statements.

d. Method of recruitment and appointment or election of Directors

The Members can appoint up to eight Directors. Members may also appoint Staff Directors, Parent Directors and Co-opted Directors. The Chief Executive Officer (CEO) is an Ex Officio Director as long as he remains in office. The Directors may appoint up to two Co-opted Directors for such term (not exceeding four years) but may not Co-opt an employee of the company as a Co-opted Director if thereby the number of Directors who are employees of the company would exceed one third of the total number of Directors (including the CEO). The Directors can appoint Staff Directors providing the amount of Staff Directors does not exceed one third of the total number of Directors (including the CEO).

Where the Directors have not appointed Local Governing Bodies (LGB) there shall be a minimum of two Parent Directors however if there is an active LGB the Board can choose to appoint two Parent Governors on each LBG instead of having Parent Directors. Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies shall be elected or appointed by the parents of registered students within the academies of the trust.

The Articles of Association give full details relating to the appointment and removal of Directors.

e. Policies and procedures adopted for the induction and training of Directors

Induction for new Directors appointed during the year was facilitated through the Chair and Clerk to the Board of Directors together with the CEO and the Chief Financial Officer. New Directors and Local Governors are offered the opportunity to be paired with an existing Director or Governor as a mentor. The academy also buys into the Local Authority's programme of Governor induction and training, which offers a range of Governor training courses throughout the year.

f. Organisational structure

The Members are the key decision makers and have over-arching power to ensure the ethos and educational vision is embedded into all institutions within the trust. They in turn appoint a Board of Directors who are in place to hold the CEO and all Local Governing Bodies (LGB's) to account for the performance of their school. The names of the Directors who were in office for Trinity Multi Academy Trust during the year ended 31 August 2018 are given on page 1.

A central Audit Committee is formed to cover all elements of risk affecting any school or institution within the trust and reports directly to the Board of Directors.

The individuals who make up the Local Governing Bodies (LGB's) are appointed by the Directors and are responsible for the day to day management of each academy in the trust. At the end of the period the trust held Trinity Academy Halifax, The Maltings College, Akroydon Primary Academy and Cathedral Academy Wakefield as the four institutions within its trust.

The LGB of each institution can establish sub-groups to carry out its work effectively and as required. Usually these form the basis of: Resources (covering finance, staffing and premises); Curriculum and Achievement (C&A) and Children, Families and Community (CFC) but can vary depending on the need or specific ethos of the school.

The organisational structure of the academy trust can be considered in four levels although there is an overlap of levels one and two. The purpose of this structure is to devolve responsibility and encourage decision making at the most appropriate level and empower the relevant staff accordingly.

- The Members have an over-arching and strategic role, ensuring that their vision for the character and ethos of any academy in the trust, and its role in the local education system, is carried forward. They are also responsible for setting the key policies; agreeing and monitoring key objectives; overseeing the trust's budget and accounts; and being involved in Director appointments.

- The Directors are more closely involved in monitoring the educational and financial performance of each academy and linking this to setting and monitoring the performance of the Principal and Senior Managers within each academy in the trust. These responsibilities include adopting an annual plan and budget, monitoring each academy by the use of budgets, and making major decisions about the direction of any academy, capital expenditure and senior staff appointments. The Directors delegate the appointment of senior staff in each academy down to the Local Governing Body.

- The CEO, as Accounting Officer, is responsible for financial decisions on a day to day basis outside the Chief Financial Officers control, and is responsible for the regularity, propriety and value for money throughout the trust. The CEO is responsible for a team of central multi academy trust staff including a Head of External Initiatives (HoIE), a Chief Financial Officer (CFO) and a Director of ICT & Data are also in post to ensure the Principals in each academy/school in the trust are supported, challenged and held to account for their decisions.

- The Senior Leadership Group (SLG) at academy level depends on the academy requirements, size of the institution and the needs of the students and is planned accordingly based on these factors. The SLG of each academy is established with Principals of institutions, the CEO and the CFO. The trust plans to increase capacity in key leadership areas as it grows its Multi Academy Trust in the future to improve and benefit all institutions within the trust.

These Senior Leaders then control the academy at an executive level implementing the policies laid down by the Local Governing Body and reporting back to them. As a group the SLG is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the SLG should contain a Governor. Some spending control is devolved to members of the Management Team, with limits above which an SLG Member must countersign. The Management Team includes the Senior Leadership Group, Subject Leaders and Pastoral Managers. These managers are responsible for the day to day operation of the academy, in particular organising the teaching staff, facilities and students.

g. Pay policy for key management personnel

The arrangements and range of remuneration packages for key management personnel are set by the Directors and managed operationally by the CEO via Performance Management review throughout the year and in full annually. The benchmarks and parameters for setting remuneration packages for key roles in each institution are based on local schools relative to the size of institution and accountability of the role. These roles are managed by the CEO and are held to account accordingly. The CEO is held to account through Performance Management review directly with the Board of Directors.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	9
Full-time equivalent employee number	9

Percentage of time spent on facility time

Percentage of time	**Number of employees**
0%	5
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	**£000**	
Total cost of facility time	1	
Total pay bill	12,296	
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	-	%

i. Connected organisations, including related party relationships

The CEO, a National Leader of Education (NLE), and other members of staff have enhanced the support offered to local schools and academies that may be interested in joining the multi academy trust in future periods. Within the period the MAT finalised the transfer of Cathedral Academy, Wakefield into the trust to formalise the support the school has been receiving for a number of months.

Trinity Multi Academy Trust maintained a 100% share in a trading subsidiary, Fountain Springs Day Nursery Ltd. Also within the year the trust set up an additional trading subsidiary, White Rose Education Services Limited, to build on the success of mathematics CPD, schemes of work and training courses offered by the trading name White Rose Maths.

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

Objectives and Activities

a. Objects and aims

The main objects and aims of Trinity Multi Academy Trust are to serve the students in its care. It has a small number of core principles:

- We expect all our schools to actively support each other and to share best practice for the benefit of all
- We encourage each of our schools to celebrate its distinctive identity within our trust community
- We are committed to providing quality-assured services to keep our schools legal, financially robust and continually improving.

The Members and Directors strongly believe that these core values will be maintained and promoted in any other academy that comes into the trust in the future (whether the school is a religiously designated faith school or not).

b. Objectives, strategies and activities

The principle objectives of Trinity Multi Academy Trust for the year ended 31 August 2018 were:

- To ensure that every student enjoys a high quality education supported through tuition, learning resources and care through a broad and balanced curriculum
- To maintain the 'moral imperative' we have fostered in the early part of Trinity's existence
- To partner with good/outstanding schools to add capacity to school improvement services (with a particular focus on the primary phase)
- To provide value for money, and
- For central services to be developed in a timely manner to ensure the Multi Academy Trust remains sustainable and effective.

c. Public benefit

Members and Directors have referred to the public benefit guidance contained in part 1, section 4 of the Charities Act 2006 and the SORP (item GL 49), to have due regard to the Charity Commission's published general and relevant guidance when they have reviewed the trust's aims and objectives. This has been used in planning future activities to ensure the primary objective of any academy in the trust is achieved rather than providing a financial return to its shareholders.

Achievements and performance

Strategic report

a. Key performance indicators

In 2017-18, Trinity Academy Halifax's un-validated Progress 8 score is +0.60 (from a validated +0.67 last year) and is very impressive given the continued educational reforms from letters to numbers – this means that students make roughly three fifths of a grade more progress in their suite of 8 subjects at TAH, than other students of the same ability nationally and these results put the academy well within the top 10% of schools nationally (and even higher up for schools of a similar size). The basics measure which looks at the proportion of students achieving a strong pass (grade 5 or higher in English and mathematics) showed an impressive result of 45% (47% last year) compared to a national average of 43%. This is generally regarded as a new measure following the gradation change where a grade 5 reflects a high 'C' or low 'B.'

Trinity Academy Halifax post-16 results were again strong producing an average point score per academic entry of 31.9 (grade C+) and an average point score per applied general entry of 36.5 (grade Distinction). Given the reforms to post-16 qualifications, a comparison to previous years is difficult.

Cathedral Academy Progress 8 results are exceptional at +0.66 (from +0.54 last year) and cements the marked improvements in the school since its involvement with Trinity MAT. These results put the school in approximately the top 7% of schools nationally and confirm it as the best performing secondary school in the Wakefield authority. The basics measure for a grade 5 or higher in English and mathematics shows a very good result of 41% (from 31% the previous year).

Cathedral Academy closed its sixth form during the year and had its final cohort of year 13's complete their studies this summer, the results were excellent and showed an average A-Level grade of a 'B' and a 'Distinction+' in vocational subjects.

Akroydon Primary Academy has also reaped the benefits of being part of Trinity MAT. There has been a much clearer focus and strategic drive to improve teaching and learning in the school, it has produced some fantastic results at Key Stage 2 with expected standards across reading, writing and maths combined coming in at 62% (compared to 25% last year). The drive for improvements will continue into the next academic year to build on the recent positive results.

The Maltings College results have continued to stabilise and have produced some impressive results in most vocational sectors with an average result of a Distinction in applied general qualifications and, although difficult to compare to previous years, the college achieved an impressive value added score of +0.84 for Applied General qualifications – meaning that students achieved almost a full grade higher than other students of similar prior attainment nationally. The achievement rate across all sectors has increased from the previous year, thanks to a much stronger retention rate (in line with national average). In addition, the progress made in both Maths and English has improved from the previous year, and the results in Maths are likely to be significantly stronger than the national average once validated.

Trinity Academy Sowerby Bridge (previously called Sowerby Bridge High School) will join the trust in the next financial period and has been working with the trust for approximately 18 months. It is starting to see positive results in the light of these enhanced working relationships and sharing of excellent resources across the trust. The Progress 8 results have shown a hugely improved figure of +0.40 (from -0.47) in this period, and the drive for further success will continue in the next academic year.

b. Going concern

After making appropriate enquiries, the board of directors 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.

c. Review of activities

During 2017/18 Trinity Academy Halifax showed census student numbers for year groups 7-11 in October 2017 of 1,470 and post 16 student numbers at 286. The aims of the LGB were to achieve outstanding results in all year groups and maintain or improve results compared to the previous year's results to cement the outstanding Ofsted judgement. The results were again very good during another time of changing educational landscape in gradation, these are identified in the Key Performance Indicators above.

The Maltings College had a census position in October 2017 of 116 student numbers. The aims of the LGB were to continue the improvements throughout the college to further improve the Ofsted rating and ensure an enhanced marketing push continued to further increase student numbers in coming years. The results stabilised overall but had very positive results in vocational sector areas.

Akroydon Primary Academy (APA) joined on the 1 February 2017 and had an in year census report of 349 students across reception to year 6. The aims of the LGB were to implement multi academy trust policies, processes and procedures to enable stability of the school and facilitate a massive improvement drive to ensure this school improves in the new academic year. The drive for rapid improvement at APA is reaping initial rewards, improving processes and procedures will start to be embedded and will be stepped up again in the new academic year to further improve results next year.

Cathedral Academy (CA) joined the trust on 1 March 2018 and had an in year census report of 709, an increasing number due to the 181 year 7 students that joined in September 2017 (with 98 currently in year 11). The aims of the LGB were to continue to adopt and apply Trinity MAT policies and procedures and maintain the increased focus on improving teaching and learning to give the students a better chance of future success. This focus will continue into the future in the build up for a much improved Ofsted visit in the next 12-24 months.

The overall aims of the trust were to ensure results in all year groups were maintained or improved compared to the previous year's results and that our academies can ensure they continually improve and further benefit the life chances of the young people in our care.

Financial review

a. Reserves policy

Financial Review for the Year

The accounts for the year ended 31 August 2018 include one notable transaction. The West Yorkshire Pension Fund's deficit associated with the non-teaching staff increased from £2,409k to £2,699k at 31 August 2018. It is the opinion of the Members and Directors that the pension liability will not fall due for repayment in the foreseeable future. This increase reflects the adoption by the trust of the deficit relating to the staff transferring across to the MAT on Cathedral Academy joining the trust.

Each academy's income is derived in the main from the Education & Skills Funding Agency (ESFA) and the Local Authority (LA) in the form of recurrent and capital grants, the use of which is restricted to particular purposes. The grants received from the ESFA and the LA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The trust is not restricted with its use of allocated General Annual Grant (GAG) but ensured compliance where necessary to the current funding agreement. The forecast for future funding arrangements continues to be increasingly volatile and has reaffirmed the importance of Financial Management for future years within the trust. We have received our funding indications from the ESFA for 2018/19 and have managed the curriculum and staffing model to best use the funds we have been allocated to achieve our educational vision.

The trust aims to utilise most of its restricted revenue funding in the year. However, at 31 August 2018 there was unspent GAG reserves carried forward of £876k which is earmarked to be spent in the following year.

Reserves Policy

The Directors' review the level of reserves annually alongside the approved Reserves Policy. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors' will ensure that the reserves policy continues to conform to the requirements laid down in the Academies' Financial Handbook 2017 produced by the ESFA and will monitor any changes with the funding agreement and GAG restrictions as appropriate.

It is the Directors' policy to maintain a level of unrestricted reserves which can be used for future education purposes in line with each academy improvement plan. At the year end the trust held unrestricted reserves of £1.2m and restricted reserves of £43.3m (£45.2m of these restricted reserves related to restricted fixed asset funds). The restricted general fund excluding pension liability is £876k but overall shows a negative figure due to the pension liability value measured by the actuary. The reserves are held to ensure each academy has sufficient resources to improve the edcational offer at any academy within the trust as it grows.

The Directors' aim to maintain reserves to be able to provide assistance for any future capital projects as they arise if they are not funded by the CIF (Condition Improvement Fund). The trust pension liability at the year-end is £2,699k and this amount is underwritten by the Government if settlement was ever required.

b. Material investments policy

The Directors' review the level of reserves annually alongside the approved Reserves Policy. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors' will ensure that the reserves policy continues to conform to the requirements laid down in the Academies' Financial Handbook 2017 produced by the ESFA and will monitor any changes with the funding agreement and GAG restrictions as appropriate.

c. Principal risks and uncertainties

Risk Management

The Directors have assessed the major risks to which the trust is exposed, in particular those relating to educational achievement, provision of facilities, finance and other operational areas of all academies. The Directors assign the LGB to implement systems which assess risks that face any academy in the trust, especially in the operational areas (e.g. teaching, health and safety, bullying and school trips) and in relation to the control of finance which have continued throughout this financial year. The trust is committed to ensure there is a risk averse appetite through all academies within the trust and they maintain the benefit of the Audit Committee who ensure the Risk Management Policy is adhered to.

The Directors have operational procedures including the DBS vetting of all new staff and visitors, supervision of school grounds, and internal financial controls in order to minimise risk. Although much work has been done to reduce both the number and likely occurrence of risks, in order to protect the charitable company from any residual risks, Directors have ensured they have adequate insurance cover.

d. Financial risk management objectives and policies

The multi academy trust has an effective system of internal control and this is explained in more detail in the following statement.

The Members and Directors continue to review current examples of best practice and have:

- Set policies on internal controls which cover the following:
  - the type of risks the trust faces
  - the level of risks which they regard as acceptable
  - the likelihood of the risks materialising
  - the trust's ability to reduce the incidence and impact on operations of risks that do materialise
  - the costs of operating particular controls relative to the benefits obtained;
- Clarified the responsibility of the Senior Leadership Group and the Management Team in each academy to implement policies, to identify and evaluate risks for the Directors' consideration;
- Explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- Embedded the control system in all academies operations so that it becomes part of the culture of each academy;
- Developed systems to respond quickly to evolving risks arising from factors within each academy and to changes in the external environment; and
- Included procedures for reporting failings immediately to appropriate levels of management and the Directors, together with details of corrective action being undertaken.

The main financial risk to the trust comes from changes to the school and academy funding regimes being introduced and maintained in future years. These changes, which affect virtually every school and academy in England, are being moderated by a minimum funding guarantee per student but these funds are reducing year on year towards zero. There is a much higher need to ensure that student numbers rise to capacity where possible so student funding is achieved. This will be continually monitored as changes to the funding regimes continue in the future.

Fundraising

Members and Directors have referred to the Charities (Protection and Social Investment) Act 2016, section 13, and include information on the trusts fundraising practices. The general approach to fundraising is a risk averse process with any fundraising opportunities only accessed if they are fully researched to ensure there is minimal risk to the trust ensuring they won't require any financial involvement from trust finances in the future.

During the year the trust maintained its 100% shareholding in Fountain Springs Day Nursery Limited, a private day nursery, and this contributed £30k during the financial period to the shareholder. The trust also set up White Rose Education Services Limited, a maths focussed training and development entity, as a 100% fully owned trding subsidiary in the financial period and this contributed £45k during the financial period to the shareholder. Both subsidiary companies are set up to provide or enhance educational provision, internal complaints are dealt with directly via their websites and both companies have no unresolved complaints to date. Both companies are set up as educational provisions if customers want to use the products/services that are on offer.

Plans for future periods

a. Future developments

The trust continues to move into an exciting period of growth in the near future. We plan to support and improve any local school, college or academy to give the students that attend these institutions the same life chances as students from less deprived areas of the country. We have been appointed as the sponsor to Trinity Academy Sowerby Bridge (previously called Sowerby Bridge High School) and this school will join the trust in 2018/19. The complications of a Private Funded Initiative (PFI) building has caused the delay in completing the transfer.

The trust will ensure it maintains the vision to drive up standards across all institutions in the trust and we are committed to ensuring the improved performance and stability of academies within the trust. There is also a clear focus to ensure that our growth plans do not disadvantage any academy we are working with. The trust plans to continue its clearly identified progression planning for its employees by clearly setting opportunity routes for all middle and senior management. The trust plans to ensure the current and future educational offer is constantly reviewed to achieve excellence in all it does and will work alongside the financial objectives to achieve efficiencies as the trust grows.

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

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy and the group carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Directors.

The academy and the group has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy and the group's Equal opportunities policy, the academy and the group has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy and the group's offices.

Disclosure of information to auditors

Insofar as the Directors are aware:

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

Auditors

The auditors, BHP LLP, have indicated their willingness to continue in office. The Designated Directors will propose a motion re-appointing the auditors at a meeting of the Directors.

The Directors' report, incorporating a strategic report, was approved by order of the board of directors, as the company directors, on 10 December 2018 and signed on its behalf by:

Professor David Baker
Vice Chair

GOVERNANCE STATEMENT

Scope of Responsibility

As directors, we acknowledge we have overall responsibility for ensuring that Trinity Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of directors has delegated the day-to-day responsibility to the CEO, 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 Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' report and in the Statement of Directors' responsibilities. The board of directors has formally met 6 times during the year. Attendance during the year at meetings of the board of directors was as follows:

Director	Meetings attended	Out of a possible
Tom Miskell, Chair	5	6
Wayne Keating	5	6
Professor David Baker, Vice Chair	5	6
Louise Bryan	4	6
Gareth Davies	4	6
Prof. Claire Honess	4	6
Wayne Kenny	5	6
Michael Gosling, CEO	6	6

At 31 August 2017 J Lawson resigned as a Director to concentrate on her LGB role at Cathedral Academy, all other Directors completed the full year in post. The Board have initiated and supported positive changes in leadership and governance at LGB level throughout the year and ensure the sustainability of the trust, and the academies within it, is a key focus alongside the educational performance of our academies.

The Audit Committee (AC) is a sub-committee of the Board of Directors, reports directly to it and as such has a majority of Directors on it. The AC maintained the use of RSM Risk Assurance LLP to achieve independent internal scrutiny of the trusts financial systems and operational controls. The AC received reports on a variety of risks and internal controls throughout the academic year.

During the year E Beaumont, who is a qualified accountant, joined the committee.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
W Keating, Chair	3	3
W Kenny	2	3
E Beaumont	1	1

Review of Value for Money

As Accounting Officer, the CEO has responsibility for ensuring that the academy 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's use of its resources has provided good value for money during each academic year, and reports to the board of directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

Staffing Secondment and Curriculum Financial Planning

Our staffing structures are reviewed on a weekly basis in each academy in order to support an improved curriculum year on year and respond to any movement within the year of the curriculum requirements. This has been enhanced through the year with a clearer focus on the support and intervention offered. The closer links between institution leaders means efficiencies can be found within the curriculum across the trust if small amounts of curriculum capacity is required. There is also more of a focus on the right balance of main scale teachers and middle/senior management positions to ensure the contact ratio between staff and students is optimised where possible and the curriculum bonus is utilised on support and interventions in key classes nearing examinations.

Our review of Value for Money does not stop with the teaching staff, we have maintained the review of our support staffing structures also to ensure we can achieve efficiency savings where possible and also utilise staff across institutions so gaps are not realised enabling the Principal can concentrate on teaching and learning in their school. For example a Finance and Operations Manager post was vacant for 2 months in one of our academies but the finance team managed workload to support the school in recruitment and to ensure deadlines and payments were not missed.

Purchasing Economies of Scale and Commonality of Systems

As our Multi Academy Trust has continued its growth within the year so has the drive to secure economies of scale in purchase power. This is a clear driver to ensure all institutions within the trust realise best value purchases due to the growing size of the academies we are working with. One example of this is with the collective purchasing of assessment materials which has realised a group saving due to the scope of the Multi Academy Trust and the bulk buying we are able to offer to suppliers. We have also used Multi Academy Trust purchasing to add other partner schools into our purchasing group to get them a better deal whilst also adding more weight to the purchase we are trying to negotiate on.

The other benefit of ensuring best value when tendering prices for contracts or services is it generally means that one supplier will produce the best price. This ensures value for money principles are adhered to but also from a staffing and maintaining angle it ensures that every institution within the trust uses the same common system, the benefit being that the knowledge and skillset of central teams who are using this one system is realised and added to. The use of any of these services or maintaining of these systems is made hugely more efficient due to the common systems used throughout the Multi Academy Trust, this will be a key area of focus as we continue our growth strategy in future periods.

GOVERNANCE STATEMENT (continued)

Contracts Review

This area is linked to the above purchasing economies but we have had a focus in year to ensure we are clear on which contracts are held by which suppliers in each institution and when they are due to renew so we can link the contract renewals within the multi academy trust to achieve best value for the trust overall and for each individual academy budget. This is an area of real improvement within the year to ensure there is some transparent joined up thinking across the teams in the trust and this will continue to strengthen as we set up our suite of meetings in the new financial period to link all these best value for money processes.

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 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 Multi Academy Trust 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 board of directors 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 board of directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy'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 board of directors.

The Risk and Control Framework

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

The board of directors has considered the need for a specific internal audit function and has decided to appoint RSM Risk Assurance Services LLP as internal auditor.

GOVERNANCE STATEMENT (continued)

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

- Review of Income Streams (Teaching School and External Hires)
- Review of Safeguarding and Prevent
- Review of Key Financial Controls
- Review and Audit of ICT, and
- Follow up of previous reports to ensure recommendations have been implemented.

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

Review of Effectiveness

As Accounting Officer, the CEO 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 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of directors on 10 December 2018 and signed on their behalf, by:

Professor David Baker
Vice Chair

Michael Gosling
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Trinity Multi Academy Trust I have considered my responsibility to notify the academy trust board of directors 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 directors 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 directors and ESFA.

Michael Gosling
Accounting Officer

Date: 10 December 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors 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 the group and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors 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 group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by order of the members of the board of directors on 10 December 2018 and signed on its behalf by:

Professor David Baker
Vice Chair

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRINITY MULTI ACADEMY TRUST

Opinion

We have audited the financial statements of Trinity Multi Academy Trust (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2018 which comprise the group Consolidated statement of financial activities incorporating income and expenditure account, the group Consolidated balance sheet, the group Consolidated 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 group's and of the parent academy's affairs as at 31 August 2018 and of the group's 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 group 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent 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 Directors 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.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRINITY MULTI ACADEMY TRUST

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report including the Group Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report and the Group 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 group and the parent academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the Group 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:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' responsibilities, the Directors (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 Directors 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 Directors are responsible for assessing the group's and the parent 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 Directors either intend to liquidate the group or the parent academy or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRINITY MULTI ACADEMY TRUST

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. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy'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 academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

Michael Jackson (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

1st Floor
Mayesbrook House
Leeds
LS16 6QY
Date: 14 December 2018

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TRINITY MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 30 May 2018 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 Multi Academy Trust 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 Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Trinity Multi Academy Trust 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 Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Trinity Multi Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Trinity Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 August 2018, 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.

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.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TRINITY MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

BHP LLP

Michael Jackson

BHP LLP

Chartered Accountants
Statutory Auditor

1st Floor
Mayesbrook House
Leeds
LS16 6QY

Date: 14 December 2018

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	As restated Total funds 2017 £000
Income from:						
Donations & capital grants:						
Transfer from an existing academy in to the trust	2	(70)	(1,122)	11,073	9,881	2,575
Transfer from conversion from the Local Authority	2	-	-	-	-	3,495
Other donations and capital grants	2	-	-	111	111	55
Charitable activities	3	471	14,784	-	15,255	12,208
Teaching schools	33	-	1,378	-	1,378	839
Trading activities with subsidiaries	4	1,087	-	-	1,087	487
Investments	6	3	-	-	3	8
Other trading income	5	1,813	610	-	2,423	1,201
Total income		3,304	15,650	11,184	30,138	20,868
Expenditure on:						
Raising funds		1,120	975	-	2,095	1,752
Charitable activities		2,170	14,348	1,306	17,824	14,911
Teaching schools	33	-	1,194	-	1,194	903
Total expenditure	7	3,290	16,517	1,306	21,113	17,566
Net income / (expenditure) before transfers		14	(867)	9,878	9,025	3,302
Transfers between Funds	20	(10)	-	10	-	-
Net income / (expenditure) before other recognised gains and losses		4	(867)	9,888	9,025	3,302
Actuarial gains on defined benefit pension schemes	24	-	1,372	-	1,372	1,590
Net movement in funds		4	505	9,888	10,397	4,892
Reconciliation of funds:						
Total funds brought forward		1,238	(2,328)	35,356	34,266	29,374
Total funds carried forward		1,242	(1,823)	45,244	44,663	34,266

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	£000	2017 £000
Fixed assets					
Intangible assets	15		2		-
Tangible assets	16		45,216		35,369
			45,218		35,369
Current assets					
Stocks	17	8		10	
Debtors	18	1,471		715	
Cash at bank and in hand		2,602		1,650	
		4,081		2,375	
Creditors: amounts falling due within one year	19	(1,937)		(1,069)	
Net current assets			2,144		1,306
Total assets less current liabilities			47,362		36,675
Defined benefit pension scheme liability	24		(2,699)		(2,409)
Net assets including pension scheme liabilities			44,663		34,266
Funds of the academy					
Restricted income funds:					
Restricted income funds	20	876		81	
Restricted fixed asset funds	20	45,244		35,356	
Restricted income funds excluding pension liability		46,120		35,437	
Pension reserve		(2,699)		(2,409)	
Total restricted income funds			43,421		33,028
Unrestricted income funds	20		1,242		1,238
Shareholders' and Charity's funds			44,663		34,266

The financial statements on pages 25 to 63 were approved by the Directors, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:

Professor David Baker
Vice Chair

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	£000	As restated 2017 £000
Fixed assets					
Intangible assets	15		2		-
Tangible assets	16		45,130		35,291
			45,132		35,291
Current assets					
Stocks	17	8		10	
Debtors	18	1,500		749	
Cash at bank		2,479		1,582	
		3,987		2,341	
Creditors: amounts falling due within one year	19	(1,813)		(994)	
Net current assets			2,174		1,347
Total assets less current liabilities			47,306		36,638
Defined benefit pension scheme liability	24		(2,699)		(2,409)
Net assets including pension scheme liabilities			44,607		34,229
Funds of the academy					
Restricted funds :					
Restricted funds		876		81	
Restricted fixed asset funds		45,157		35,356	
Restricted funds excluding pension asset		46,033		35,437	
Pension reserve		(2,699)		(2,409)	
Total restricted funds			43,334		33,028
Unrestricted funds			1,273		1,201
Total funds			44,607		34,229

The financial statements were approved by the Directors, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:

Professor David Baker
Vice Chair

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

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	**664**	(299)
Cash flows from investing activities:			
Dividends, interest and rents from investments		**3**	8
Proceeds from the sale of tangible fixed assets		**-**	69
Purchase of tangible fixed assets		**(19)**	(81)
Capital grants from DfE Group		**111**	55
Transfer of cash on conversion		**193**	441
Net cash provided by investing activities		**288**	492
Change in cash and cash equivalents in the year		**952**	193
Cash and cash equivalents brought forward		**1,650**	1,457
Cash and cash equivalents carried forward	23	**2,602**	1,650

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

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

Trinity Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the academy and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

No separate SOFA has been presented for the academy alone as permitted by section 408 of the Companies Act 2006.

1.2 Going concern

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

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

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

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

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

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

Where assets and liabilities are received on the transfer of an existing academy into the trust, the transferred net assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the academy trust, which is on the signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the transfer of an existing academy into the trust within Donations and capital grant income to the net assets acquired.

The net assets transferred on conversion from the academy known as 'The Cathedral Church of England Academy Trust (Wakefield)', now called Cathedral Academy, to the academy trust have been at fair value. The fair value has been derived based on that of equivalent items. The amount has been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Income – transfer from an existing academy into the trust and Charitable Activities Expenditure in the Statement of Financial Activities. These have been analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

1. Accounting Policies (continued)

1.4 Expenditure

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

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

Expenditure on charitable activities are costs incurred on the academy'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.

1.5 Basis of consolidation

The financial statements consolidate the accounts of Trinity Multi Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The academy has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the academy was £10,397,000 (2017 - £4,822,000).

1.6 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

1. Accounting Policies (continued)

1.7 Tangible fixed assets and depreciation

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years
Leasehold property	-	50 years (excluding solar panels - 25 years)
Furniture and fixtures	-	8 years (5 years for The Maltings College assets)
Motor vehicles	-	8 years
ICT Equipment	-	5 years (3 years for The Maltings College assets)

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.

1.8 Investments

The academy's shareholding in the wholly owned subsidiary, Fountain Springs Day Nursery Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

The academy's shareholding in the wholly owned subsidiary, White Rose Education Services Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.9 Operating leases

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

1. Accounting Policies (continued)

1.10 Stocks

The value for catering stock and unsold uniforms is included at the lower of cost or net realisable value, less costs to sell.

1.11 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.

1.12 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.

1.13 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.

1.14 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 18. 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 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1. Accounting Policies (continued)

1.15 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, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.16 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 24, 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 and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.17 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 Directors.

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.

1. Accounting Policies (continued)

1.18 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, maintenance programmes, economic utilisation and physical condition of the assets are taken into account. Residual value assessments consider issues such as future market conditions and the remaining life of the asset.

The Trust considers whether tangible fixed assets are impaired. Where an indication of impairment is identified the estimation of the recoverable amount of the asset or the recoverable amount of the cash-generating unit is required. These will require an estimation of the future cash flow and selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Critical areas of judgment:

In preparing these financial statements, management have made the following judgements:

- Determined whether leases entered into by the Trust as a lessee are operating or finance leases.
- Assessed the adequacy of assumptions for the actuarial valuation of the West Yorkshire Pension Fund.

2. Income from donations and capital grants

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Transfer from an existing academy in to the trust	(70)	(1,122)	11,073	9,881	2,575
Transfer from conversion from the Local Authority	-	-	-	-	3,495
Subtotal detailed disclosure	(70)	(1,122)	11,073	9,881	6,070
Capital Grants	-	-	111	111	55
	(70)	(1,122)	11,184	9,992	6,125
Total 2017	79	364	5,682	6,125	

3. Funding for Academy's educational operations

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA grants				
General Annual Grant	-	13,334	13,334	10,308
Start up Grants	-	16	16	47
Other Dfe/EFA grants	-	1,153	1,153	1,221
	-	14,503	14,503	11,576
Other government grants				
Local authority grants	-	239	239	189
Calderdale MBC SEN funding	-	-	-	64
	-	239	239	253
Other funding				
Catering income	471	42	513	379
	471	42	513	379
	471	14,784	15,255	12,208
Total 2017	379	11,829	12,208	

4. Trading activities

	Unrestricted funds £000	Restricted funds £000	2018 £000	2017 £000
Income from subsidiaries	1,087	-	1,087	487
Total 2017	487	-	487	

5. Other trading activities

	Unrestricted funds £000	Restricted funds £000	2018 £000	As restated 2017 £000
Facilities and services	1,005	-	1,005	471
Hire of facilities	68	-	68	87
Uniform sales	4	-	4	6
Other misc. income	158	-	158	79
Multi Academy Trust income	495	-	495	164
Nursery fees	9	-	9	14
Maths Hub income	684	-	684	380
Total	2,423	-	2,423	1,201
Total 2017	1,362	-	1,362	

6. Investment income

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Short term deposits	3	-	3	8
Total 2017	8	-	8	

7. Expenditure

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Expenditure on raising voluntary income					
Direct costs	975	-	-	975	941
Support costs	-	-	-	-	-
Expenditure on fundraising and trading subsidiaries					
Direct costs	369	-	751	1,120	811
Support costs	-	-	-	-	-
Activities:					
Direct costs	10,966	175	2,542	13,683	11,166
Support costs	1,785	642	1,714	4,141	3,745
Teaching schools	891	-	303	1,194	903
	14,986	817	5,310	21,113	17,566
Total 2017	12,046	679	4,841	17,566	

8. Analysis of expenditure by activities

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total 2018 £000	Total 2017 £000
Charitable activities	13,683	4,141	17,824	14,911
Total 2017	11,166	3,745	14,911	

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities £000	Total 2018 £000	Total 2017 £000
Staff costs	1,785	1,785	1,846
Depreciation	676	676	738
Educational supplies	339	339	68
Other costs	111	111	131
Maintenance of premises and equipment	131	131	95
Cleaning	94	94	89
Rent and rates	161	161	116
Heat and light	256	256	230
Insurance	82	82	81
Security and transport	73	73	75
Catering	15	15	16
Technology costs	56	56	37
Office overheads	87	87	35
Legal and professional	268	268	180
Bank interest and charges	7	7	8
	4,141	4,141	3,745
At 31 August 2017	3,745	3,745	

9. Net income/(expenditure)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets:		
- owned by the charitable group	1,306	1,424
Auditors' remuneration - audit	18	20
Auditors' remuneration - other services	4	6
Operating lease rentals	22	36
Profit/(loss) on disposal of fixed asset	-	12
Net interest on defined benefit pension liability	70	64

10. Staff costs

a. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	**11,793**	9,547
Social security costs	**1,094**	804
Operating costs of defined benefit pension schemes	**1,999**	1,621
	14,886	11,972
Agency staff costs	**49**	32
Staff restructuring costs	**51**	42
	14,986	12,046

Staff restructuring costs comprise:

	2018 £000	2017 £000
Redundancy payments	**37**	24
Severance payments	**14**	18
	51	42

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £14,500 (2017: £18,168). Individually, the payments were: £6,000 made on 13 October 2017 and £8,500 made on 28 February 2018.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	**275**	163
Administration and support	**333**	232
Management	**159**	20
	767	415

10. Staff costs (continued)

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	257	155
Administration and support	249	180
Management	133	18
	639	353

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	6	3
In the band £ 70,001 - £ 80,000	3	1
In the band £ 80,001 - £ 90,000	4	1
In the band £110,001 - £120,000	0	1
In the band £150,001 - £160,000	1	1

e. Key management personnel

The key management personnel of the academy trust comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel for their services to the academy trust was £1,122,624 (2017: £874,611).

11. Central services

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

- Human resources
- Financial services
- School improvements
- Capital project monitoring
- IT services

The academy charges for these services on the following basis:

At a rate based on pupil numbers (2017: 4% ESFA revenue)

The actual amounts charged during the year were as follows:

	2018	2017
	£000	£000
Trinity Academy Halifax	240	356
The Maltings College	15	27
Akroydon Primary Academy	45	32
Cathedral Academy	120	122
Total	420	537

12. Directors' remuneration and expenses

One Director has been paid remuneration or has received other benefits from an employment with the trust. The CEO only receives remuneration in respect of services he provides undertaking the roles of CEO under his contract of employment, and not in respect of his role as Director. The value of Directors' remuneration and other benefits was as follows:

		2018	2017
		£000	£000
M Gosling	Remuneration	160-165	155-160
	Pension contributions paid	25-30	25-30

During the year ended 31 August 2018, travel and subsistence expenses totalling £1,870 were paid to the CEO in respect of expenses incurred carrying out his duties as CEO (2017 - £729 to 2 Directors).

13. Directors' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2018 was £1,110 (2017 - £1,100).

14. Other finance income

	2018 £000	2017 £000
Interest income on pension scheme assets	216	101
Interest on pension scheme liabilities	(286)	(165)
	(70)	(64)

15. Intangible fixed assets

Group and Academy	Computer Software £000
Cost	
Additions	2
At 31 August 2018	2
Carrying amount	
At 31 August 2018	2

16. Tangible fixed assets

Group	Freehold property £000	Leasehold property £000	Furniture and fixtures £000	ICT Equipment £000	Motor vehicles £000	Total £000
Cost						
At 1 September 2017	2,015	35,551	1,792	2,477	2	41,837
Additions	-	6	1	59	14	80
Transfer from existing academy	-	10,846	189	33	5	11,073
Disposals	-	-	-	(3)	-	(3)
At 31 August 2018	2,015	46,403	1,982	2,566	21	52,987
Depreciation						
At 1 September 2017	39	3,132	1,030	2,267	-	6,468
Charge for the year	43	839	298	121	5	1,306
On disposals	-	-	-	(3)	-	(3)
At 31 August 2018	82	3,971	1,328	2,385	5	7,771
Net book value						
At 31 August 2018	1,933	42,432	654	181	16	45,216
At 31 August 2017	1,976	32,419	762	210	2	35,369

Freehold land and buildings at The Maltings College were acquired by the trust from 1 October 2016. These assets were valued at £2 million.

The Secretary of State for Education has a legal charge over the property known as The Maltings. See note 30.

Leasehold land and buildings at Trinity Academy Halifax were leased by the trust from 1 September 2012. These were valued at £32.1 million.

Akroydon Primary Academy land and buildings were leased by the trust from 1 February 2017 for nil consideration over a term of 125 years. The assets were valued at £3.5 million.

During the year the trust acquired Cathedral Academy on a 125 term lease from 1 March 2018 for nil consideration. The assets were valued at £10.8 million as at July 2016.

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

Academy	Freehold property £000	Leasehold property £000	Furniture and fixtures £000	ICT Equipment £000	Motor vehicles £000	Total £000
Cost						
At 1 September 2017	2,015	35,473	1,792	2,477	2	41,759
Additions	-	-	1	55	14	70
Transfer from existing academy	-	10,846	189	33	5	11,073
Disposals	-	-	-	(3)	-	(3)
At 31 August 2018	2,015	46,319	1,982	2,562	21	52,899
Depreciation						
At 1 September 2017	39	3,132	1,030	2,267	-	6,468
Charge for the year	43	837	298	121	5	1,304
On disposals	-	-	-	(3)	-	(3)
At 31 August 2018	82	3,969	1,328	2,385	5	7,769
Net book value						
At 31 August 2018	1,933	42,350	654	177	16	45,130
At 31 August 2017	1,976	32,341	762	210	2	35,291

17. Stocks

	Group		Academy	
	2018 £000	2017 £000	2018 £000	2017 £000
Finished goods and goods for resale	8	10	8	10

Stocks are made up of uniforms for resale and catering supplies.

18. Debtors

	Group		Academy	
	2018 £000	2017 £000	2018 £000	2017 £000
Trade debtors	508	250	444	224
Amounts owed by group undertakings	-	-	95	63
Other debtors	173	82	172	80
Prepayments and accrued income	790	383	789	382
	1,471	715	1,500	749

19. Creditors: Amounts falling due within one year

	Group		Academy	
	2018	2017	**2018**	2017
	£000	£000	**£000**	£000
Trade creditors	**751**	467	**732**	427
Other taxation and social security	**313**	231	**296**	226
Other creditors	**244**	178	**219**	178
Accruals and deferred income	**629**	193	**566**	163
	1,937	1,069	**1,813**	994

	Group		Academy	
	£000	**£000**	**£000**	**£000**
Deferred income				
Deferred income at 1 September 2017	**74**	**97**	**46**	**97**
Resources deferred during the year	**496**	**74**	**437**	**46**
Amounts released from previous years	**(74)**	**(97)**	**(46)**	**(97)**
Deferred income at 31 August 2018	**496**	**74**	**437**	**46**

At the Balance Sheet date the academy trust was holding £496k of funds received, broken down by £1k held for the challenge fund, £6k for academy dinners, £162k for the Maths Hub, £3k for Peri invoices in advance, £15k for Sports Game Organiser Grant, £21k for Battlefields Grant, £3k outward bound grant, £3k for London performing arts, £187k for CIF bid funding, £13k for Sports Premium , £1k for Kinswood trip income, £17k for LA nursery funding, £4k for catering income, £1k for 16-19 bursary fund and £59k for nursery income. All funds relate to monies received in advance for the 2018/19 financial year.

20. Statement of funds

	Balance at 1 September 2017 As restated £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General Funds	1,279	2,130	(2,136)	-	-	1,273
Fountain Spring Day Nursery	(41)	535	(517)	(8)	-	(31)
White Rose Education Services	-	639	(637)	(2)	-	-
	1,238	3,304	(3,290)	(10)	-	1,242
Restricted funds						
General Annual Grant (GAG)	81	13,334	(12,539)	-	-	876
Start up grant	-	16	(16)	-	-	-
Other DfE/ESFA grants	-	1,153	(1,153)	-	-	-
Other grants and trading income	-	2,269	(2,269)	-	-	-
Pension reserve	(2,409)	(1,122)	(540)	-	1,372	(2,699)
	(2,328)	15,650	(16,517)	-	1,372	(1,823)
Restricted fixed asset funds						
DFE/EFA Capital grants	3,590	111	-	-	-	3,701
Capital expenditure from GAG	78	-	-	-	-	78
Depreciation	(6,721)	-	(1,304)	-	-	(8,025)
Fixed asset donated	32,690	-	-	-	-	32,690
Transfers on conversion	3,496	-	-	-	-	3,496
Assets from existing academy	2,145	11,073	-	-	-	13,218
Fixed assets in subsidiary companies	78	-	(2)	10	-	86
	35,356	11,184	(1,306)	10	-	45,244
Total restricted funds	33,028	26,834	(17,823)	10	1,372	43,421
Total of funds	34,266	30,138	(21,113)	-	1,372	44,663

20. Statement of funds (continued)

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

Restricted general funds have been spent in line with the terms of the Master Funding Agreement.

Restriced fixed assets funds are used solely for capital purchased in line with the strategic objectives of Trinity Multi Academy Trust.

The trust is carrying a net surplus of £876k of restricted funds (not including pension reserve of £2,699k) plus an unrestricted funds surplus of £1,242k. The reserves will benefit future educational purposes across the trust in line with each academy's improvement plan and will ensure each academy has sufficient resources to improve the educational offer within the trust. The pension liability does show a significant adverse reserve but does not have an immediate effect on the cash flow impact, that impact will be in future periods due to increased contributions owing to the scheme deficit.

The transfer of funds from unrestricted funds to restricted fixed asset funds of £10k represents the capital expenditure from within the subsidiary companies.

Fountain Spring Day Nursery has reserves of £54k which £85k is included within the restricted fixed asset fund.

White Rose Education Services has reserves of £2k which £2k is included within the restricted fixed asset fund.

Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	As restated Total 2017 £000
Trinity Academy Halifax	1,449	751
The Maltings College	160	120
Akroydon Primary Academy	94	99
Cathedral Academy	126	-
Central Services	320	390
Fountain Spring Day Nursery	(31)	(41)
Total before fixed asset fund and pension reserve	2,118	1,319
Restricted fixed asset fund	45,244	35,356
Pension reserve	(2,699)	(2,409)
Total	44,663	34,266

20. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciat-ion £000	Total 2018 £000	Total 2017 £000
Trinity Academy Halifax	7,319	2,635	346	2,559	12,859	11,640
The Maltings College	451	222	34	318	1,025	1,130
Akroydon Primary Academy	800	516	57	409	1,782	950
Cathedral Academy	1,441	337	31	489	2,298	670
Central Services	-	609	2	153	764	-
Fountain Spring Day Nursery	-	365	1	121	487	417
White Rose Education Services	-	291	-	301	592	-
	10,011	4,975	471	4,350	19,807	14,807

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 As restated £000
General funds						
General Funds	1,191	1,644	(1,556)	-	-	1,279
Fountain Spring Day Nursery	-	487	(450)	(78)	-	(41)
	1,191	2,131	(2,006)	(78)	-	1,238
Restricted funds						
General Annual Grant (GAG)	340	10,307	(10,566)	-	-	81
Start up grant	-	47	(47)	-	-	-
Other DfE/ESFA grants	(1,014)	1,900	(886)	-	-	-
Other grants and trading income	698	438	(1,136)	-	-	-
Pension reserve	(2,882)	-	(1,117)	-	1,590	(2,409)
	(2,858)	12,692	(13,752)	-	1,590	(2,328)
Restricted fixed asset funds						
DFE/EFA Capital grants	3,590	-	-	-	-	3,590
Capital expenditure from GAG	78	-	-	-	-	78
Depreciation	(5,298)	-	(1,423)	-	-	(6,721)
Fixed asset donated	32,690	-	-	-	-	32,690
Transfers on conversion	14	3,482	-	-	-	3,496
Assets from existing academy	-	2,145	-	-	-	2,145
Fixed assets in subsidiary companies	-	-	-	78	-	78
	31,074	5,627	(1,423)	78	-	35,356
Total restricted funds	28,216	18,319	(15,175)	78	1,590	33,028
Total of funds	29,407	20,450	(17,181)	-	1,590	34,266

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 As restated £000
Unrestricted funds						
General Funds	1,191	3,774	(3,692)	-	-	1,273
Fountain Spring Day Nursery	-	1,022	(967)	(86)	-	(31)
White Rose Education Services	-	639	(637)	(2)	-	-
	1,191	5,435	(5,296)	(88)	-	1,242
Restricted funds						
General Annual Grant (GAG)	340	23,641	(23,105)	-	-	876
Start up grant	-	63	(63)	-	-	-
Other DfE/ESFA grants	(1,014)	3,053	(2,039)	-	-	-
Other grants and trading income	698	2,707	(3,405)	-	-	-
Pension reserve	(2,882)	(1,122)	(1,657)	-	2,962	(2,699)
	(2,858)	28,342	(30,269)	-	2,962	(1,823)
Restricted fixed asset funds						
DFE/EFA Capital grants	3,590	111	-	-	-	3,701
Capital expenditure from GAG	78	-	-	-	-	78
Depreciation	(5,298)	-	(2,727)	-	-	(8,025)
Fixed asset donated	32,690	-	-	-	-	32,690
Transfers on conversion	14	3,482	-	-	-	3,496
Assets from existing academy	-	13,218	-	-	-	13,218
Fixed assets in subsidiary companies	-	-	(2)	88	-	86
	31,074	16,811	(2,729)	88	-	45,244
	28,216	45,153	(32,998)	88	2,962	43,421
Total of funds	29,407	50,588	(38,294)	-	2,962	44,663

21. Analysis of net assets between funds

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Intangible fixed assets	-	-	2	2
Tangible fixed assets	-	-	45,216	45,216
Current assets	1,242	2,812	26	4,080
Creditors due within one year	-	(1,936)	-	(1,936)
Provisions for liabilities and charges	-	(2,699)	-	(2,699)
	1,242	(1,823)	45,244	44,663

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	-	-	35,369	35,369
Current assets	1,300	1,075	-	2,375
Creditors due within one year	(62)	(994)	(13)	(1,069)
Provisions for liabilities and charges	-	(2,409)	-	(2,409)
	1,238	(2,328)	35,356	34,266

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group	
	2018	2017
	£000	£000
Net income for the year (as per Statement of Financial Activities)	**9,025**	3,302
Adjustment for:		
Depreciation charges	**1,306**	1,423
Dividends, interest and rents from investments	**(3)**	(8)
Decrease in stocks	**2**	1
Increase in debtors	**(756)**	(293)
Increase in creditors	**868**	284
Capital grants from DfE and other capital income	**(111)**	(55)
Defined benefit pension scheme obligation inherited	**1,122**	667
Defined benefit pension scheme cost less contributions payable	**470**	386
Defined benefit pension scheme finance cost	**70**	64
Net gain on assets and liabilities on transfer from existing academy	**(11,329)**	(6,070)
Net cash provided by/(used in) operating activities	**664**	(299)

23. Analysis of cash and cash equivalents

	Group	
	2018	2017
	£000	£000
Cash at bank and in hand	**2,602**	1,650
Total	**2,602**	1,650

24. Pension commitments

The group'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 City of Bradford Metropolitan District Council. Both are Multi-employer defined benefit pension schemes.

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

Contributions amounting to £167,374 were payable to the schemes at 31 August 2018 *(2017 - £171,242)* and are included within creditors.

24. Pension commitments (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,170,415 (2017 - *£937,059*).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

24. Pension commitments (continued)

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 £563,000 (2017 - *£471,343*), of which employer's contributions totalled £358,000 (2017 - *£290,012*) and employees' contributions totalled £205,0000 (2017 - £ *166,981*). The agreed contribution rates for future years are 13% for employers and between 5.5% and 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.
Principal actuarial assumptions:

	2018	2017
Rate of increase in salaries	**3.25 %**	3.25 %
Rate of increase for pensions in payment / inflation	**2.00 %**	2.00 %
Inflation assumption (CPI)	**2.00 %**	2.00 %

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	**22.1**	22.1
Females	**27.1**	25.2
Retiring in 20 years		
Males	**23.1**	23
Females	**25.3**	27

Sensitivity analysis	**At 31 August 2018 £000**	At 31 August 2017 £000
Discount rate +0.1%	**14,026**	8,514
Discount rate -0.1%	**14,757**	8,958
Mortality assumption - 1 year increase	**13,971**	8,470
Mortality assumption - 1 year decrease	**14,805**	8,998
CPI rate +0.1%	**14,627**	8,886
CPI rate -0.1%	**14,151**	8,582

24. Pension commitments (continued)

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	**8,720**	4,875
Gilts	**491**	607
Corporate bonds	**1,262**	247
Property	**409**	285
Cash and other liquid assets	**257**	95
Other	**549**	215
Total market value of assets	**11,688**	6,324

The actual return on scheme assets was £722,000 (2017 - *£614,000*).

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

	2018 £000	2017 £000
Current service cost	**(828)**	(636)
Interest income	**216**	101
Interest cost	**(286)**	(165)
Total	**(898)**	(700)

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

	2018 £000	2017 £000
Opening defined benefit obligation	**8,733**	7,074
Upon conversion	**-**	1,714
Transferred in on existing academies joining the trust	**5,351**	143
Current service cost	**828**	636
Interest cost	**286**	165
Employee contributions	**205**	143
Actuarial gains	**(866)**	(1,077)
Benefits paid	**(150)**	(65)
Closing defined benefit obligation	**14,387**	8,733

24. Pension commitments (continued)

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

	2018 £000	2017 £000
Opening fair value of scheme assets	**6,324**	4,192
Upon conversion	**-**	1,190
Transferred in on existing academies joining the trust	**4,229**	-
Interest income	**216**	101
Actuarial losses	**506**	513
Employer contributions	**358**	250
Employee contributions	**205**	143
Benefits paid	**(150)**	(65)
Closing fair value of scheme assets	**11,688**	6,324

25. Operating lease commitments

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

Group	2018 £000	2017 £000
Amounts payable:		
Within 1 year	**60**	30
Between 1 and 5 years	**103**	127
Total	**163**	157

At 31 August 2018 the academy had annual commitments under non-cancellable operating leases as follows:

Academy		
Amounts payable:		
Within 1 year	**60**	30
Between 1 and 5 years	**103**	127
Total	**163**	157

26. Members' liability

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

27. Related party transactions

Owing to the nature of the academy trust and the composition of the board of directors being drawn from local public and private sector organisations, transactions may take place with organisations in which Directors 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.

During the year Trinity Multi Academy Trust seconded staff to a local school known as Cathedral Academy, which joined the trust on 1 March 2018. J Hanson who was a Governor of Trinity Academy Halifax is a member of the Local Governing Body of Cathedral Academy, the trust has transacted with Cathedral Academy prior to it joining the trust during the year as follows:

Sales invoices amounting to £192,844 (2017 – £427,888) were invoiced relating to expenses and staff recharges by Trinity Multi Academy Trust to Cathedral Academy. As at 31 August 2018, nil was due to Trinity Multi Academy Trust. Any transactions following the formal transfer of Cathedral Academy into Trinity MAT are completed via intercompany control accounts.

During the year academies within the multi academy trust transacted with Frog Education Limited of which G Davies, a Director of Trinity Multi Academy Trust, is the Managing Director. All dealings were 'at cost' and transactions during the year were as follows:

Purchase invoices amounting to £7,611 (2017 – £7,572) were invoiced relating to our online learning platform. Sales invoices amounting to nil (2017 – £150) were invoiced during the year.

During the year Fountain Springs Day Nursery Ltd. transacted catering and rental recharges from The Maltings College, sales invoices from the college amounted to £79,574 (2017 – £73,267). The nursery also transacted sales invoices of £150 (2017 – £353) for recharges for staff training or minibus loan from Trinity Academy Halifax.

During the year White Rose Education Services (WRES) Ltd. transacted staffing recharges from Trinity Multi Academy Trust, sales invoices from the trust to WRES amounted to £370,271 (2017 – N/A). WRES also transacted sales invoices of £87,434 to the trust in the respective period (2017 – N/A).

28. Post balance sheet events

On 1 October 2018, Trinity Academy Soweby Bridge joined the Multi Academy Trust.

29. Agency arrangements

The academy trust has allocated full administration of 16-19 Bursary Funds from the ESFA to the LEA (Calderdale Council). Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the academy trust does not have a beneficial interest in the individual transactions. An allowance of 5% as a contribution to administration costs is allowed however this has not been taken by the Academy but does contribute to the administration and management costs incurred by the LEA. Where funds have not been fully applied in the year then an amount will be included as a sundry creditor due to the ESFA.

Residential Academy Trips

The academy trust acts as an agent in the administering of Residential Education Trips. All disbursements to students are excluded from the Statement of Financial Activities to the extent that the academy trust does not have a beneficial interest in the individual transactions. No contribution to administration costs is taken. Where funds have not been fully applied in the year then an amount will be included as a sundry creditor due to the relevant travel company.

30. Legal charge

The Academy Trust has received funding from the Secretary of State for Education pursuant to the terms of a funding agreement dated 21 August 2013 entered into by the Maltings Learning Trust which was transferred to Trinity Multi Academy Trust from 01 October 2016 by way of a deed of novation. The legal charge was transferred to Trinity Multi Academy Trust with effect from 24 August 2018.

31. Prior year adjustments

The comparative figures for the trust have been restated due to the reallocation of the Teaching School income and expenditure in the year. This had no impact on the results of the trust.

The comparative figures for the trust have also been restated do to the reallocation of the fund balances split between restricted funds and restricted fixed asset funds in the year. This had no impact on the results of the trust.

32. Transfer of existing academies into the academy

Cathedral Academy

	Value reporting by transferring trust	Fair value adjustments	Transfer in recognised
	£000	£000	£000
Intangible assets			
Computer software	2	-	2
Tangible fixed assets			
Long-term leasehold property	10,846	-	10,846
Motor vehicles	5	-	5
Fixtures and fittings	189	-	189
ICT Equipment	33	-	33
Debtors due after one year	289	-	289
Cash in bank and in hand	193	-	193
Liabilities			
Creditors due within one year	(554)	-	(554)
Pensions			
Pensions - pension scheme assets	4,229	-	4,229
Pensions - pension scheme liabilities	(5,351)	-	(5,351)
Net assets	9,881	-	9,881

33. Teaching school trading account

	2018 £000	2018 £000	2017 £000	2017 £000
Income				
Direct income				
Teaching school income	1,378		839	
Total income		1,378		839
Expenditure				
Other expenditure				
Other staff costs	891		618	
Teaching school expenditure	303		285	
Total Other expenditure	1,194		903	
Total expenditure		1,194		903
Surplus / (Deficit) from all sources		184		(64)
Teaching school balances at 1 September 2017		(64)		-
Teaching school balances at 31 August 2018		120		(64)

34. Principal subsidiaries

Fountain Spring Day Nursery Limited

Subsidiary name	Fountain Spring Day Nursery Limited
Company registration number	07552379
Basis of control	100% subsidiary
Total assets as at 31 August 2018	£ 165,191
Total liabilities as at 31 August 2018	£ 110,672
Total equity as at 31 August 2018	£ 54,519
Turnover for the year ended 31 August 2018	£ 535,358
Expenditure for the year ended 31 August 2018	£ 487,299
Profit for the year ended 31 August 2018	£ 48,059

White Rose Education Services Limited

Subsidiary name	White Rose Education Services Limited
Company registration number	10831473
Basis of control	100% subsidiary
Total assets as at 31 August 2018	£ 112,613
Total liabilities as at 31 August 2018	£ 110,184
Total equity as at 31 August 2018	£ 2,429
Turnover for the year ended 31 August 2018	£ 639,191
Expenditure for the year ended 31 August 2018	£ 591,763
Profit for the year ended 31 August 2018	£ 47,428