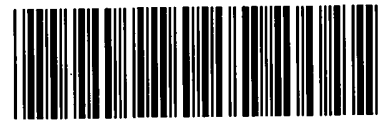


The Robert Carré Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017

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12/01/2018

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COMPANIES HOUSE

Company Registration Number:
07671174 (England and Wales)

The Robert Carré Trust

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The Robert Carré Trust

Reference and administrative details

Members

R Baker

RA Hutton

Rev P Johnson

S Hopkins

Trustees

R Baker*

L Barr (appointed 31 October 2016)

K Bradford*

Dr SJB Gilmore (resigned 31 August 2017)

R Hockmeyer

RA Hutton (Chairman - resigned 31 March 2017)

G Killey (resigned 18 January 2017)

NM Law (Executive Headteacher and Accounting Officer)

M Robertson*

S Hopkins (Chairman - appointed 20 April 2017)

Cdr GD Timus (appointed 24 May 2017)

*Also members of the Finance and Resources Committee

Company Secretary

J Green

Senior Management Teams

Executive Headteacher - N Law

Director of Finance, Administration and Resources - J Green

Carre's Grammar School

Deputy Headteacher - J Holland

Assistant Headteacher - K Jones

Assistant Headteacher - A Wilkinson

The Kesteven and Sleaford High School

Head of School - J Smith

Assistant Headteacher - D Collett

Assistant Headteacher - C Green

Assistant Headteacher - C Tipper

Assistant Headteacher - G White

The Robert Carré Trust

Reference and administrative details continued)

Principal and Registered Office

Northgate
Sleaford
Lincolnshire
NG34 7DD

Company Registration number 07671474
(England and Wales)

Independent Auditor

Duncan and Toplis Limited
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Bankers

Lloyds Bank
2 Northgate
Sleaford
Lincolnshire
NG34 7BL

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham NG2 1BJ

The Robert Carre Trust

Trustees' Report

The Trustees present their annual report together with the audited financial statements of the Academy for the year ended 31 August 2017.

Structure, Governance and Management

Constitution

The Robert Carre Trust is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Charitable Company was entitled Carre's Grammar School Academy Trust and it formed the Multi Academy Trust on 1 September 2015. Carre's Grammar School Academy Trust changed its name to The Robert Carre Trust on 5 September 2015.

The Kesteven and Sleaford High School joined The Robert Carre Trust on 1 September 2015. The Trustees act as the Trustees for the charitable activities of The Robert Carre Trust. The Trustees are the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Robert Carre Trust.

Details of the Trustees who served throughout the year except as noted are included in the reference and administrative details on page 12.

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.

Trustees' Indemnities

The Trustees are Directors of the Charitable Company for the purposes of the Companies Act 2006.

The Trustees of The Robert Carre Trust have unlimited indemnity insurance cover. This is purchased by the Trust. This cover applies to all Trustees of the trust acting in accordance with the role of professional responsibilities of the Multi Academy Trust.

Method of Recruitment and Appointment and Election of Trustees

The Members appoint the majority of the Trustees. Local Governing Body governors include two elected parent governors and two elected staff governors. The training and induction provided to Trustees will depend on their experience. Where necessary training in educational and financial matters will be provided. All new Trustees are given a tour of the Trust schools and the opportunity to meet with staff and students. Training is specifically tailored to the needs of the Trustee or Governor.

Organisational Structure

There is a clear governance and management structure to control the way in which the Robert Carre Trust is run. The structure consists of four levels; the Members, the Trustees, the Local Governors and the Senior Leadership Teams. The management philosophy of the Trust is to empower and then delegate responsibility and encourage involvement in decision-making at all levels within the terms of the agreed Scheme of Delegation.

The Trustees are responsible for the strategic direction of Robert Carre Trust. This includes ensuring accountability for the roles and exploring opportunities for increased efficiencies across the Trust in order to drive forward the raising of standards. This includes setting general policy, reviewing Development Plans and capacity levels, adopting an annual plan and budget, monitoring the use of resources and budgets and making strategic decisions about the direction of the trust, capital expenditure and academies leadership and staff appointments.

The Governors and Senior Leadership Teams lead the academies within the trust at an executive level, implementing policies laid down by the Directors and reporting back to them.

The Robert Carré Trust

During the 12 month review the Trustees have held 7 meetings, including training and various committee meetings (the Trust has 4 committees). All Trustees receive copies of all documentation such as policies, reports, procedures and budgets in advance of any meetings. These are all placed in the bespoke Governor's Virtual Office. The Trust at present does not have any business sponsors, however, the Trust does work closely with the primary Heads from the feeder schools and other academies within the area and the Local Authority.

Arrangements for setting pay and remuneration of key management personnel

The Pay Committee meets twice per annum to determine the pay and remuneration of the academy's key management personnel. This includes any external advisors and benchmarks. There is a rigorous and effective staff performance management process across the Trust.

Related Parties and other connected Charities and Organisations

The Trust is not part of any formal federation with other schools but does work closely with the primary school Heads from the feeder schools, St George's Academy which is part of the Sleaford Joint Sixth Form, and the LCC Local Authority.

Objectives and Activities

Objects and aims

The Carré's Grammar school has a long and proud history of achievement dating back to 1604, and Kesteven and Sleaford School to 1902. Building on these foundations the Robert Carré Trust is focussed on meeting the contemporary needs of current and future students and preparing them for the world of tomorrow. The Trust aims to provide opportunities at all levels for developing the character of the students in its schools and unlocking their potential through their participation in a wide range of educational experiences. This is provided by committed and professionally focussed staff who desire the attainment of excellence in teaching and learning outcomes. A culture of leadership and sense of community based on clearly expressed core values remains a key focus. The Trust aims to build upon the achievements of all the schools in the trust, utilising the current strengths to improve the areas that need developing, whilst recognising the opportunities that can be exploited and potential threats that require mitigation. This enables the Trust to create a learning community in which every individual has the opportunities to attain his/her potential, intellectually, socially and personally, in a mutually supportive environment.

Objectives, Strategies and Activities

The principal object and activity of the Charitable Company is the operation of the Robert Carré Trust to provide education for students of different abilities between the ages of 11 and 19. In accordance with the Articles of Association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Robert Carré Trust aims:

- to develop a vibrant educational community that is a beacon of excellence in teaching and learning, administration and governance;
- to create a distinctive partnership of schools for local people;
- to strengthen the partnership by valuing the individuality of our partner schools;
- to foster a culture where autonomy and accountability go hand in hand;
- to make the schools affiliated to the Robert Carré Trust great places to study and work;
- to share expertise and bring together best practice and the best practitioners;
- to recruit, retain and develop the best staff and future leaders locally; and
- to achieve efficiency savings for mutual benefit, in the procurement of goods and services

Public Benefit

Staff and students at both schools in the Robert Carré Trust are encouraged to have high expectations. Gifted students are stretched; all students are motivated by the choice of academic subjects on offer. The expectation is for all students to give of their best and to expect to be educated throughout their lives and to develop a vibrant educational community that is a beacon of excellence in teaching and learning, administration and governance. At the heart of the local community, the Trust encourages diversity, and promotes inclusion within a selective setting, adding real value to learners' educational experiences. It works with local schools and partners in education, health, the

The Robert Carré Trust

arts and business, to extend learning opportunities beyond the classroom, promoting collaboration, innovation and lifelong learning.

The students are encouraged to be caring citizens who respect themselves and others, being consulted and listened to. They take pride in themselves and their school, respecting others' rights to learn free from fear of failure or intimidation. They are contributors to the cultural life of the school and community, participating in and leading the diverse range of extended opportunities made possible by the energy and enthusiasm of staff.

Students are encouraged to see themselves as effective communicators and participators in their own learning. They are users of new technologies, extending their learning beyond the classroom. They should be equally confident as independent or team workers and are able to apply transferable and employability skills in our rapidly changing world.

Students receive quality advice and guidance in order for them to make informed choices. Teaching is inspirational and aspirational and takes account of students' abilities, needs and ambitions in order to promote learning for life and achievement for all.

The Trust's makes a significant investment in the quality of the staff team in order to secure maximum benefit for the students. The team adds value to the trust and its students through their professional skills and motivation. All colleagues are encouraged to see themselves as lifelong learners, looking for opportunities to improve their practice and supporting others to do the same. All colleagues are encouraged to be professionally confident partners in rigorous and robust self-evaluation where there is a culture of accountability, identifying and removing barriers to learning, and engaging in partnership with parents and carers to maximise learner potential through a variety of approaches and support.

Strategic Report

Achievements and Performance

Results 2017

A Level

A*-E 100%

A*-C 82%

A*-B 58%

Oxbridge Successes

• Libby Beckett	Modern and Medieval Languages at St Catharine's College, Cambridge
• Emma Francis	Chemistry at Keble College, Oxford
• Kiera Johnson	Chinese at Pembroke College, Oxford
• Candy Yuan	Music at Lincoln College, Oxford
• Katie Mountford	English at Christ College, Cambridge
• Olivia Turpin	Human Sciences at Mansfield College, Oxford (after a gap year)
• Christopher Davies	Geography at Girton College, Cambridge
• Ben Cole	Computer Sciences at Clare College, Cambridge
• Sam Drury	Engineering at Christ's College, Cambridge

The Robert Carre Trust

Destination Data

- 82% are going to university
Of those:
 - 1st choice = 78%
 - 2nd choice = 13%
 - Clearing = 9%

AS

A-E 95%

A-C 71%

A-B 49%

GCSE

5A*-C/4+ 95%

5A*-C/4+ including E and M 95%

5A*-C/5+ including E and M 72%

EBacc (incl E and M) 55%

Carre's Grammar School

Carre's Grammar School Results

A Level

Total number of students taking A2s 120

The Robert Carre Trust

Percentage awarded each grade

	%	Cum %
A*	4.9	4.9
A	19.1	24.0
B	28.0	52.0
C	27.7	79.7
D	15.8	95.5
E	4.5	100.0
U	0.0	100.0

Average Points Per A Level entry (UCAS points)

APS	36.9
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AS Level

Total number of students taking AS 142

Percentage awarded each grade

	%	Cum %
A	26.4	26.4
B	23.7	50.1
C	22.2	72.3
D	15.6	87.9
E	9.2	97.1
U	2.9	100.0

Average Points Per AS Level entry (UCAS points)

APS	13.8
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The Robert Carré Trust

GCSE

	All Students %	SEN K (12)	SEN S (2)	FSM 6 (4)	Service
Students 5 A*-C/4+	94.6	75	100	100	94.4
Students 5 A*-C and both EM at grade 4 or above	94.6	75	100	100	94.4
Students 5 A*-C and both EM at grade 5 or above	69.4	41.7	50	50	77.8
Students at grade 4 or above in English only	97.3	83.3	100	100	94.4
Students at grade 5 or above in English only	82.9	66.7	100	100	88.9
Students at grade 4 or above in Maths only	99.1	100	100	100	94.4
Students at grade 5 or above in Maths only	90.1	100	50	100	83.3
Students 5 A* -A (or grade 7/8/9 in EM)	33.3				
Entries A/A* (or grade 7/8/9 in EM)	34				
Ebacc including 5+ in EM	55.9	33.3	50	50	55.6
Students 5 A*-G	99.1	100	100	100	94.4
Students at Grade 4 and above in English and Maths	97.3	83.3	100	100	94.4
Students at Grade 5 and above in English and Maths	77.5	66.7	50	100	77.8

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Kesteven and Sleaford High School (KSHS)

Kesteven and Sleaford High School Results

A Level

Total number of students taking A2s: 76

Percentage awarded each grade

	%	Cum %
A*	9.4	9.4
A	29.6	39.0
B	27.4	66.4
C	19.7	86.1
D	11.7	97.8
E	2.2	100
U	0.0	N/A

Average Points Per entry (UCAS points)

APS	39.9
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AS Results

Total number of base school students taking AS: 78

The Robert Carré Trust

Percentage awarded each grade

	%	Cum %
A*	N/A	N/A
A	25.9	25.9
B	20.9	46.8
C	20.5	67.3
D	16.2	83.5
E	9.1	92.6
U	7.4	100

Average Points Per entry (UCAS points)

APS	15.8
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The Robert Carre Trust

GCSE

	All Students %	SEN K (13)	SEN S (0)	FSM 6 (5)	Service (23)
Students 5 A*-C/4+	96.4%	84.6%		80%	100%
Students 5 A*-C and both EM at grade 4 or above	94.5%	76.9%		80%	100%
Students 5 A*-C and both EM at grade 5 or above	77.3%	53.8%		40%	87.0%
Students at grade 4 or above in English only	98.2%	84.6%		100%	100%
Students at grade 5 or above in English only	93.6%	69.2%		60%	95.7%
Students at grade 4 or above in Maths only	98.2%	100%		100%	100%
Students at grade 5 or above in Maths only	82.7%	76.9%		80%	91.3%
Students 5 A* -A (or grade 7/8/9 in EM)	42.7%	25%		20%	56.5%
Entries A/A* (or grade 7/8/9 in EM)	41.9%				
Ebacc including 5+ in EM	54.5%	15.4%		40%	69.6%
Students 5 A*-G	100%	100%		100%	100%
Students at Grade 4 and above in English and Maths	96.4%	84.6%		100%	100%
Students at Grade 5 and above in English and Maths	78.2%	53.8%		60%	86.9%

The Robert Carre Trust

Going Concern

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the next few years. 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 note of the financial statements.

Financial Review

Throughout the period of the report the Trust has continued to follow its Financial Regulations and Policy Manual. There have been no significant events. The principal sources of funding have been from GAG Funding augmented by some trading activity. Additional cash contributions were made to the Carre's Grammar School Local Government Pension Scheme of £28,000 and of the Kesteven and Sleaford High School Local Government Pension Scheme of £17,000.

Reserves Policy

Demands on the Trust reserves are expected to vary over the coming years and therefore the policy is that the level of reserves should not fall below £550,000 without special consideration. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies.

During the year ended 31 August 2017, total expenditure was £9,499,154. This compares to unrestricted and restricted income of £8,516,187. The carry forward of expenditure over income was £982,967.

At 31 August 2017, the net book value of the fixed assets was £17,105,063.

The Trust held fund balances at 31 August 2017 of £15,763,227 which comprise of £474,548 restricted funds; a pension deficit of £2,758,000; restricted fixed assets funds of £17,114,016 and £932,663 unrestricted general funds.

Investment Policy

The Trustees have directed that investments are only to be made with "Blue Chip" institutions. Cash and bank holdings in excess of daily requirements are to be invested to obtain further income for the Trust.

Principal Risks and Uncertainties

The Principal Risks and Uncertainties faced by the school centre around the financial position due to continuing reductions in Government funding and increases in national insurance and pension contributions that are largely outside the Trustees' control. There are further DfE funding reforms being proposed of which the detail is uncertain.

Plans for Future Periods

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

The Robert Carre Trust will continue striving to improve the levels of performance of its students at all levels and continue its efforts to ensure its students obtain employment, training or a place in higher education once they leave. In the coming year the Trust will progress its vision of becoming a co-educational school on a new site and will explore options relating to increasing the number of its schools and the potential advantages of amalgamating with another Trust.

The Robert Carré Trust

Funds held as Custodian Trustee on behalf of others [see SORP paragraph 59]

There are no funds held as Custodian Trustees on behalf of others

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the trusts' auditor is unaware; and
- the Trustees have taken all steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

It is proposed that the auditors are reappointed at the AGM convened on 12 December 2017.



S. Hopkins
Chairman

The Robert Carré Trust

Governance Statement

Trustees' Statement

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Robert Carré 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 Trustees have delegated the day-to-day responsibility to the Executive Headteacher, 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 the Robert Carré Trust and the Secretary of State for Education. The Executive Headteacher is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

Governance

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Trustees have formally met 8 times during the year (including for training). Attendance during the year at meetings of the Trustees was as follows:

Trustee	Meetings attended	Out of a possible
R Baker	7	7
L Barr	5	6
K Bradford	6	7
Dr SJB Gilmore	5	7
RA Hutton	5	5
R Hockmeyer	6	7
S Hopkins	2	2
G Killey	1	3
NM Law	7	7
M Robertson	7	7
G Titmus	2	2

The Finance and Resources Committee

This committee is a Committee of the Trustees and has met formally 6 times during the year. Attendance during the year at meetings of the Finance and Resources Committee was as follows:

Trustee/Governor	Meetings attended	Out of a possible
CJ Boyce	5	6
L Barr	3	6
RA Hutton	2	3
K Bradford	4	6
R Ketch	5	6
NM Law	6	6
S Oakden	4	6
M Robertson	6	6

The Robert Carre Trust

Governance Statement (continued)

The Audit Committee

R Baker	1	1
R Hockmeyer	0	1
Dr SJB Gilmore	1	1
G Titmus	1	1
G Killey	0	1
G Hewett	1	1

Review of value for money

As accounting officer the Executive Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Reviewing the curriculum
- Reviewing support services contracts
- Reviewing the "Trading functions" of the Trust

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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Robert Carre Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

The Trustees have assessed the major risks to which the academy is exposed in particular to those risks relating to teaching provision, financial and health and safety. They have introduced systems (e.g. internal financial controls) to mitigate these risks and have also ensured that they have adequate insurance cover. The Trust has a system of internal financial control and this is detailed in the following statement:

The Trustees acknowledge that they have overall responsibility to ensure that the Robert Carre Trust has an effective and efficient system of control both financial and otherwise. They have responsibility for keeping proper accounting records which disclose, with proper accuracy, the financial position of the Trust to enable us to ensure that the financial statements comply with the Companies Act. They also acknowledge our responsibility for correctly safeguarding the assets of the schools in the Trust and for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The school is operating effectively;
- The assets are safeguarded against unauthorised use or disposition;
- That proper records are maintained and information published is reliable; and
- The Trust complies with relevant laws and regulations.

The Robert Carre Trust

The Register of Interests

Trustees recognise that all Trustees, staff and governors, whether they have significant financial or spending powers on behalf of the Trust, or are in a position to order goods for their department, demonstrate that they do not benefit personally from any decisions they make. At the start of each academic year all staff and governors declare, by signing a statement, any financial interests they have in companies/individuals from which the Trust may purchase goods or services. In addition, the opportunity to declare any new conflicts of interests is at every Members, Trustees and Local Governing Body meeting and all sub-committee meetings as it is a mandatory agenda item.

The disclosures should also include business interests of relatives or business partners, where influence could be exerted over a governor or a member of staff by that person. This does not detract from the duties of Members, Trustees, governors and staff to declare interests whenever they are relevant to matters being discussed. Where an interest has been declared, Members, Trustees, governors and staff should not attend that part of any committee or other meeting.

Connected Organisations, including Related Party Relationships

The Trust is not part of any formal federation with other schools but does work closely with the primary school Heads from the feeder schools, St George's Academy which is part of the Sleaford Joint Sixth Form, and the Local Authority.

Capacity to Handle Risk

The Trustees have reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

The Risk and Control Framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

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

The Trustees have considered the need for a specific internal audit function and has decided that this function can be carried out by Duncan and Toplis as part of their appointment as the Trust's auditors and accountants.

Financial and Risk Management Objectives and Policies

The Trustees have reviewed the key risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees following an initial review by the Finance and Resources Committee.

The Robert Carre Trust

Review of Effectiveness

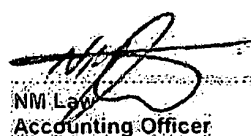
As accounting officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the work of the Director of Finance, Administration and Resources within the Trust who has responsibility for the production of the Management and Financial Accounts.

Approved by order the Trustees of the Robert Carre Trust on 12 December 2017 and signed on its behalf by:



S Hopkins
Chairman



NM Loo
Accounting Officer

The Robert Carré Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of The Robert Carré Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.


NM Law
Accounting Officer

12 December 2017

The Robert Carré Trust

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the academy and of the incoming resources and application of resources, including the income and expenditure, of the academy for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 academy will continue in operation.

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

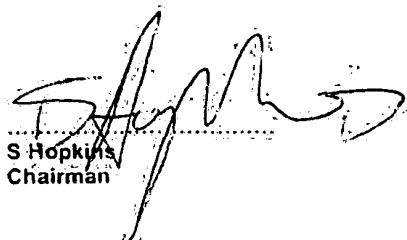
The Trustees are responsible for ensuring that in its conduct and operation the academy applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

Insofar as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the academy'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 Trustees on 12 December 2017 and signed on its behalf by:


S Hopkins
Chairman

THE ROBERT CARRE TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE ROBERT CARRE TRUST

OPINION

We have audited the financial statements of The Robert Carre Trust (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the 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 Auditor's 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.

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 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees 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.

THE ROBERT CARRE TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE ROBERT CARRE TRUST

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report including the Group strategic report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trustees' 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 Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

THE ROBERT CARRE TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE ROBERT CARRE TRUST

RESPONSIBILITIES OF TRUSTEES

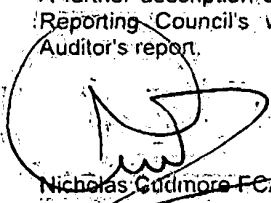
As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trustees either intend to liquidate the Group's or the parent Academy's or to cease operations, or have no realistic alternative but to do so.

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

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



Nicholas Cutlmore FCA (Senior statutory auditor)

for and on behalf of

Duncan and Topliss Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date:

19th December 2017

THE ROBERT CARRE TRUST

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THE ROBERT CARRE TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 September 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Robert Carre Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Robert Carre Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Robert Carre 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 The Robert Carre Trust and the ESFA for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE ROBERT CARRE TRUST'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The Accounting Officer is responsible, under the requirements of The Robert Carre Trust's funding agreement with the Secretary of State for Education dated 1 September 2014, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

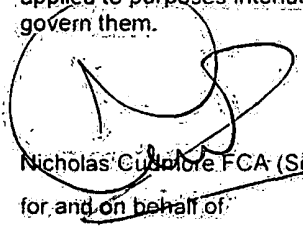
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

THE ROBERT CARRE TRUST

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THE ROBERT
CARRE TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Nicholas Cunniffe FCA (Senior statutory auditor)

for and on behalf of

Duncan and Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date:

19th December 2017

THE ROBERT CARRE TRUST

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	3,834	-	29,585	33,419	225,052
Charitable activities:	3					
Funding for the Academy's educational operations		-	7,279,294	-	7,279,294	7,622,664
Other trading activities	4	803,165	391,955	-	1,195,120	1,372,559
Investments	5	8,354	-	-	8,354	11,697
Transfer on conversion		-	-	-	-	8,977,155
TOTAL INCOME		815,353	7,671,249	29,585	8,516,187	18,209,127
EXPENDITURE ON:						
Academy trust educational operations		805,562	8,290,029	403,563	9,499,154	9,533,328
TOTAL EXPENDITURE	8	805,562	8,290,029	403,563	9,499,154	9,533,328
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	19	9,791	(618,780)	(373,978)	(982,967)	8,675,799
		-	10,706	(10,706)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		9,791	(608,074)	(384,684)	(982,967)	8,675,799
Actuarial gains/(losses) on defined benefit pension schemes	24	-	1,554,000	-	1,554,000	(1,523,000)
NET MOVEMENT IN FUNDS		9,791	945,926	(384,684)	571,033	7,152,799
RECONCILIATION OF FUNDS:						
Total funds brought forward		922,872	(3,229,378)	17,498,700	15,192,194	8,039,395
TOTAL FUNDS CARRIED FORWARD		932,663	(2,283,452)	17,114,016	15,763,227	15,192,194

THE ROBERT CARRE TRUST
REGISTERED NUMBER: 07671174

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	2016 £
FIXED ASSETS				
Tangible assets	14		17,105,063	17,498,700
CURRENT ASSETS				
Debtors	16	261,926	239,500	
Cash at bank and in hand		1,843,228	2,197,217	
		<u>2,105,154</u>	<u>2,436,717</u>	
CREDITORS: amounts falling due within one year	17	(684,634)	(734,223)	
NET CURRENT ASSETS			<u>1,420,520</u>	<u>1,702,494</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,525,583</u>	<u>19,201,194</u>
CREDITORS: amounts falling due after more than one year	18		(4,356)	
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>18,521,227</u>	<u>19,201,194</u>
Defined benefit pension scheme liability	24	(2,758,000)	(2,758,000)	(4,009,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>15,763,227</u></u>	<u><u>15,192,194</u></u>
FUNDS OF THE ACADEMY				
Restricted income funds:				
Restricted income funds	19	474,548	779,622	
Restricted fixed asset funds	19	17,114,016	17,498,700	
Restricted income funds excluding pension liability		17,588,564	18,278,322	
Pension reserve		(2,758,000)	(4,009,000)	
Total restricted income funds			<u>14,830,564</u>	<u>14,269,322</u>
Unrestricted income funds	19		<u>932,663</u>	<u>922,872</u>
TOTAL FUNDS			<u><u>15,763,227</u></u>	<u><u>15,192,194</u></u>

The financial statements on pages 25 to 54 were approved by the Trustees, and authorised for issue, on 12 December 2017 and are signed on their behalf, by:

S Hopkins
Chair of Trustees

THE ROBERT CARRE TRUST
REGISTERED NUMBER: 07671174

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	14		17,105,063		17,498,700
Investments	15		1		1
			<u>17,105,064</u>		<u>17,498,701</u>
CURRENT ASSETS					
Debtors	16	323,107		465,974	
Cash at bank		1,782,046		1,955,486	
		<u>2,105,153</u>		<u>2,421,460</u>	
CREDITORS: amounts falling due within one year	17	(684,634)		(718,967)	
NET CURRENT ASSETS			<u>1,420,519</u>		<u>1,702,493</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,525,583</u>		<u>19,201,194</u>
CREDITORS: amounts falling due after more than one year	18	(4,356)			
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>18,521,227</u>		<u>19,201,194</u>
Defined benefit pension scheme liability	24	(2,758,000)		(4,009,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>15,763,227</u>		<u>15,192,194</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds		413,008		779,622	
Restricted fixed asset funds		17,114,016		17,498,700	
Restricted funds excluding pension asset		<u>17,527,024</u>		<u>18,278,322</u>	
Pension reserve		<u>(2,758,000)</u>		<u>(4,009,000)</u>	
Total restricted funds			<u>14,769,024</u>		<u>14,269,322</u>
Unrestricted funds			<u>994,203</u>		<u>922,872</u>
TOTAL FUNDS			<u>15,763,227</u>		<u>15,192,194</u>

THE ROBERT CARRE TRUST

ACADEMY BALANCE SHEET (continued)
AS AT 31 AUGUST 2017

The financial statements were approved by the Trustees, and authorised for issue, on 12 December 2017 and are signed on their behalf, by:

S Hopkins
Chair of Trustees



THE ROBERT CARRE TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(382,003)	777,880
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,926)	(336,938)
Capital grants from DfE/ESFA		29,586	342,099
Net cash provided by investing activities		19,660	5,161
Interest received		8,354	11,697
Net cash provided by financing activities		8,354	11,697
Change in cash and cash equivalents in the year		(353,989)	794,738
Cash and cash equivalents brought forward		2,197,217	1,402,479
Cash and cash equivalents carried forward	22	1,843,228	2,197,217

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

The Robert Carre 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 undertaking. The results of the subsidiary 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 Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future 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.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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.

1.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.5 Basis of consolidation

The financial statements consolidate the accounts of The Robert Carre Trust and all of its subsidiary undertakings ('subsidiaries').

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

1.6 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 Consolidated statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Consolidated statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Long-term leasehold property	-	2% on cost
Improvements to property	-	10% on cost
Fixtures and fittings	-	25% on cost
Computer equipment	-	25% on cost

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 Consolidated statement of financial activities incorporating income and expenditure account.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Consolidated statement of financial activities incorporating income and expenditure account.

Investments in subsidiaries are valued at cost less provision for impairment.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

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

1.9 Debtors

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

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. 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 notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.13 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.

1.14 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.

1.15 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.16 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 Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

1.17 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	3,834	-	-	3,834	214,731
Capital Grants	-	-	29,585	29,585	10,321
	<u>3,834</u>	<u>-</u>	<u>29,585</u>	<u>33,419</u>	<u>225,052</u>
Total 2016	<u>155,731</u>	<u>-</u>	<u>69,321</u>	<u>225,052</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,035,972	7,035,972	7,296,063
Pupil Premium	-	153,053	153,053	144,821
Capital Maintenance grant	-	-	-	78,171
SEN 1-1 Funding	-	61,540	61,540	16,123
	<u>-</u>	<u>7,250,565</u>	<u>7,250,565</u>	<u>7,535,178</u>
Other government grants				
Other government revenue grants	-	28,729	28,729	77,157
Other Local Authority revenue grants	-	-	-	10,329
	<u>-</u>	<u>28,729</u>	<u>28,729</u>	<u>87,486</u>
	<u>-</u>	<u>7,279,294</u>	<u>7,279,294</u>	<u>7,622,664</u>
Total 2016	<u>-</u>	<u>7,622,664</u>	<u>7,622,664</u>	

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Catering income	413,666	-	413,666	447,863
Sale of goods	-	207	207	225
Lettings income	188,543	-	188,543	208,420
Other income	200,956	391,748	592,704	716,051
	<u>803,165</u>	<u>391,955</u>	<u>1,195,120</u>	<u>1,372,559</u>
Total 2016	<u>859,279</u>	<u>513,280</u>	<u>1,372,559</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income - other local investments	8,354	-	8,354	11,697
	<u>11,697</u>	<u>-</u>	<u>11,697</u>	
Total 2016	<u>11,697</u>	<u>-</u>	<u>11,697</u>	

6. DIRECT COSTS

	Educational operations £	Total 2017 £	Total 2016 £
Educational supplies	635,813	635,813	613,266
Technology costs	7,954	7,954	69,168
Examination fees	200,710	200,710	186,111
Staff development	13,310	13,310	59,840
Other costs	4,160	4,160	33,594
Wages and salaries	4,523,870	4,523,870	4,508,280
National insurance	448,893	448,893	381,516
Pension cost	824,390	824,390	746,745
Depreciation	403,563	403,563	427,531
	<u>7,062,663</u>	<u>7,062,663</u>	<u>7,026,051</u>
At 31 August 2016	<u>7,026,051</u>	<u>7,026,051</u>	

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. SUPPORT COSTS

	Educational operations £	Total 2017 £	Total 2016 £
Technology costs	25,539	25,539	41,775
Maintenance of premises and equipment	126,246	126,246	221,920
Cleaning	42,586	42,586	49,620
Rent and rates	91,436	91,436	103,820
Energy costs	115,899	115,899	133,528
Insurance	65,917	65,917	98,313
Security			790
Transport	26,555	26,555	16,161
Telephone, postage and stationery	103,080	103,080	102,993
Catering	224,352	224,352	257,546
Other costs	184,918	184,918	191,721
Bank interest and charges	4,271	4,271	3,864
Operating leases - other	26,054	26,054	11,699
Auditors' remuneration	16,694	16,694	20,085
Legal and professional	87,863	87,863	77,595
Wages and salaries	960,497	960,497	913,052
National insurance	73,196	73,196	48,686
Pension cost	261,388	261,388	214,109
	<u>2,436,491</u>	<u>2,436,491</u>	<u>2,507,277</u>
At 31 August 2016	<u>2,507,277</u>	<u>2,507,277</u>	

During the year ended 31 August 2017, the Academy incurred the following Governance costs:

£104,557 (2016 - £97,680) included within the table above in respect of Funding for the academy trust's educational operations.

£NIL (2016 - £NIL) included within the table above in respect of Provision of boarding activities:

8. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Funding for the academy:					
Direct costs	5,797,153	206,840	1,058,670	7,062,663	7,251,750
Support costs	1,295,081	417,145	724,265	2,436,491	2,281,578
	<u>7,092,234</u>	<u>623,985</u>	<u>1,782,935</u>	<u>9,499,154</u>	<u>9,533,328</u>
Total 2016	<u>6,812,388</u>	<u>820,907</u>	<u>1,900,033</u>	<u>9,533,328</u>	

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	403,562	427,531
Auditors' remuneration - audit	11,000	11,000
Auditors' remuneration - other services	5,694	9,085
Operating lease rentals	26,054	11,699

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	5,471,063	5,393,862
Social security costs	522,089	430,202
Operating costs of defined benefit pension schemes	1,085,778	960,854
	<u>7,078,930</u>	<u>6,784,918</u>
Apprenticeship levy	4,997	-
Supply teacher costs	8,307	-
Staff restructuring costs	-	27,470
	<u>7,092,234</u>	<u>6,812,388</u>

Staff restructuring costs comprise:

	2017 £	2016 £
Redundancy payments	-	27,470
Severance payments	11,950	-
	<u>11,950</u>	<u>27,470</u>

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

	2017 No.	2016 No.
Teachers	95	108
Management	11	6
Administration and support	110	109
	<u>216</u>	<u>223</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teachers	85	92
Management	10	6
Administration and support	69	66
	<u>164</u>	<u>164</u>

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS (continued)

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	1

The above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year, pension contributions for the members of staff amounted to £62,389 (2016: £61,657).

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £686,088 (2016: £602,870).

11. CENTRAL SERVICES

No central services were provided by the Academy to its academies during the year and no central charges arose.

12. TRUSTEES' REMUNERATION AND EXPENSES

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

		2017 £	2016 £
N Law - Headteacher	Remuneration	95,000-100,000	95,000-100,000
	Pension contributions paid	15,000-20,000	15,000-20,000

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016 - £NIL to 0 Trustees).

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

13. TRUSTEES' AND OFFICERS' INSURANCE

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

14. TANGIBLE FIXED ASSETS

Group	Long-term leasehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2016	17,712,378	698,922	207,211	381,879	19,000,390
Additions	-	(31,953)	15,724	26,154	9,925
At 31 August 2017	17,712,378	666,969	222,935	408,033	19,010,315
Depreciation					
At 1 September 2016	855,929	205,039	172,089	268,633	1,501,690
Charge for the year	206,840	130,308	11,750	54,664	403,562
At 31 August 2017	1,062,769	335,347	183,839	323,297	1,905,252
Net book value					
At 31 August 2017	16,649,609	331,622	39,096	84,736	17,105,063
At 31 August 2016	16,856,449	493,883	35,122	113,246	17,498,700

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

Academy	Long-term leasehold property £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2016	17,712,378	698,922	207,211	381,879	19,000,390
Additions	-	(31,953)	15,724	26,154	9,925
At 31 August 2017	17,712,378	666,969	222,935	408,033	19,010,315
Depreciation					
At 1 September 2016	855,929	205,039	172,089	268,633	1,501,690
Charge for the year	206,840	130,308	11,750	54,664	403,562
At 31 August 2017	1,062,769	335,347	183,839	323,297	1,905,252
Net book value					
At 31 August 2017	16,649,609	331,622	39,096	84,736	17,105,063
At 31 August 2016	16,856,449	493,883	35,122	113,246	17,498,700

THE ROBERT CARRE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

15. FIXED ASSET INVESTMENTS

Academy	Shares in group undertakings £
Market value	
At 1 September 2016 and 31 August 2017	1
Historical cost	1

Academy material investments

The investment relates to shares held in Carre's Grammar School Trading Limited.

16. DEBTORS

	Group		Academy	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors:	115,463	83,585	34,123	39,696
Amounts owed by group undertakings	-	-	146,655	270,363
VAT recoverable	34,437	50,374	34,437	50,374
Other debtors	2,667	2,543	2,667	2,543
Prepayments and accrued income	109,359	102,998	105,225	102,998
	261,926	239,500	323,107	465,974

17. CREDITORS: Amounts falling due within one year

	Group		Academy	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	155,195	136,695	155,195	136,695
Other taxation and social security	130,613	144,057	130,613	128,801
Other creditors	138,332	175,680	138,332	175,680
Accruals and deferred income	260,494	277,791	260,494	277,791
	684,634	734,223	684,634	718,967

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

17. CREDITORS: Amounts falling due within one year (continued)

	Group		Academy	
	£	£	£	£
Deferred income				
Deferred income at 1 September 2016	73,123	30,000	73,123	30,000
Resources deferred during the year	155,685	73,123	155,685	73,123
Amounts released from previous years	(73,123)	(30,000)	(73,123)	(30,000)
Deferred income at 31 August 2017	155,685	73,123	155,685	73,123

Deferred income relates to revenue grants, music tuition income and school trip income received in advance.

18. CREDITORS: Amounts falling due after more than one year

	Group		Academy	
	2017	2016	2017	2016
	£	£	£	£
Other creditors	4,356	-	4,356	-

19. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General incl profits from trading subsidiary	922,872	815,353	(805,562)	-	-	932,663

THE ROBERT CARRE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

19. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant (GAG)	133,974	7,035,973	(7,180,653)	10,706	-	-
Donated income - Kesteven & Sleaford High School Selective Academy	355,513	-	(98,684)	-	-	256,829
Other DfE/ESFA grants	91,575	243,322	(246,750)	-	-	88,147
Government grants	19,863	-	(5,288)	-	-	14,575
Other income	178,697	391,954	(455,654)	-	-	114,997
Pension reserve	(4,009,000)	-	(303,000)	-	1,554,000	(2,758,000)
	<u>(3,229,378)</u>	<u>7,671,249</u>	<u>(8,290,029)</u>	<u>10,706</u>	<u>1,554,000</u>	<u>(2,283,452)</u>

Restricted fixed asset funds

DfE/ESFA capital grants	110,440	29,585	(54,827)	(20,632)	-	64,566
Capital expenditure from GAG	7,973,908	-	(254,081)	9,926	-	7,729,753
Donated income - Kesteven & Sleaford High School Selective Academy	9,414,352	-	(94,655)	-	-	9,319,697
	<u>17,498,700</u>	<u>29,585</u>	<u>(403,563)</u>	<u>(10,706)</u>	<u>-</u>	<u>17,114,016</u>
Total restricted funds	<u>14,269,322</u>	<u>7,700,834</u>	<u>(8,693,592)</u>	<u>-</u>	<u>1,554,000</u>	<u>14,830,564</u>
Total of funds	<u>15,192,194</u>	<u>8,516,187</u>	<u>(9,499,154)</u>	<u>-</u>	<u>1,554,000</u>	<u>15,763,227</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE / ESFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupil's education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS (continued)

Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £303,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £1,554,000 actuarial decrease in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Carre's Grammar School	978,624	1,084,430
Kesteven & Sleaford High School Selective Academy	428,587	618,064
Total before fixed asset fund and pension reserve	1,407,211	1,702,494
Restricted fixed asset fund	17,114,016	17,498,700
Pension reserve	(2,758,000)	(4,009,000)
Total	15,763,227	15,192,194

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19: 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 £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £	Total 2016 £
Carre's Grammar School	2,980,355	566,420	316,730	610,645	4,474,150	4,569,212
Kesteven & Sleaford High School Selective Academy	2,689,025	634,999	314,342	573,160	4,211,526	4,111,025
Carre's Grammar School Trading Limited	127,773	93,662	4,741	183,739	409,915	425,626
	<u>5,797,153</u>	<u>1,295,081</u>	<u>635,813</u>	<u>1,367,544</u>	<u>9,095,591</u>	<u>9,105,863</u>

20: ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	17,105,063	17,105,063
Current assets	932,663	1,163,538	8,953	2,105,154
Creditors due within one year	-	(684,634)	-	(684,634)
Creditors due in more than one year	-	(4,356)	-	(4,356)
Provisions for liabilities and charges	-	(2,758,000)	-	(2,758,000)
	<u>932,663</u>	<u>(2,283,452)</u>	<u>17,114,016</u>	<u>15,763,227</u>

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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

	Group	
	2017	2016
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(982,967)	8,675,799
Adjustment for:		
Depreciation charges	403,562	427,465
Bank interest	(8,354)	(11,697)
Increase/(decrease) in debtors	(22,426)	(57,088)
Decrease/(increase) in creditors	(45,233)	398,853
Capital grants from DfE and other capital income	(29,585)	(342,100)
Defined benefit pension scheme cost less contributions payable	218,000	87,000
Defined benefit pension scheme finance cost	85,000	88,000
Net (loss) on assets and liabilities from academy on transfer to the trust	-	(8,488,352)
Net cash/(used in)/provided by operating activities	(382,003)	777,880

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2017	2016
	£	£
Cash at bank	1,843,228	2,197,217
Total	1,843,228	2,197,217

23. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government grant was received, the Academy is required to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which the expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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 Lincolnshire County Council. Both are Multi-employer, defined benefit pension schemes.

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

Contributions amounting to £108,072 were payable to the schemes at 31 August 2017 (2016 - £66,791) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

During the previous year the employer contribution rate was 14.1%. 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 £602,380 (2016 - £601,428).

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

24. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £386,000 (2016 - £350,000); of which employer's contributions totalled £303,000 (2016 - £273,000) and employees' contributions totalled £83,000 (2016 - £77,000). The agreed contribution rates for future years are 17.25 - 17.55% for employers and 5.5 - 9.9% for employees.

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

The LGPS is in deficit. In order to finance the academy's share of the deficit, the academy trust has entered into an agreement to make additional lump sum contributions in addition to the normal funding levels for future years. The agreed additional contributions are 2017/18 £45,000, 2018/19 £46,000 and 2019/20 £48,000.

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.80 %	3.60 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

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

	2017	2016
Retiring today		
Males	22.1	22.2
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.5
Females	26.6	26.8

	At 31 August 2017	At 31 August 2016
Sensitivity analysis	£	£
Salary increase rate +0.5%	180,000	425,000
Discount rate -0.5%	867,000	1,057,000
Pension increase rate +0.5%	671,000	595,000

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

24. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	3,218,000	2,759,000
Property	372,000	359,000
Cash and other liquid assets	41,000	-
Debt instruments	495,000	466,000
Total market value of assets	4,126,000	3,584,000

The actual return on scheme assets was £77,000 (2016 - £108,000).

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

	2017 £	2016 £
Current service cost	(521,000)	(360,000)
Net interest cost	(85,000)	(88,000)
Total	(606,000)	(448,000)
Actual return on scheme assets	77,000	108,000

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

	2017 £	2016 £
Opening defined benefit obligation	7,593,000	2,853,000
Transferred in on existing academies joining the trust	-	2,152,000
Current service cost	521,000	360,000
Interest cost	162,000	196,000
Employee contributions	83,000	77,000
Actuarial (gains)/losses	(1,430,000)	1,982,000
Benefits paid	(45,000)	(27,000)
Closing defined benefit obligation	6,884,000	7,593,000

THE ROBERT CARRE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

24: PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	3,584,000	1,468,000
Transferred in on existing academies joining the trust	-	1,226,000
Interest income	77,000	108,000
Actuarial gains	124,000	459,000
Employer contributions	303,000	273,000
Employee contributions	83,000	77,000
Benefits paid	(45,000)	(27,000)
	<u>4,126,000</u>	<u>3,584,000</u>
Closing fair value of scheme assets	<u>4,126,000</u>	<u>3,584,000</u>

25: OPERATING LEASE COMMITMENTS

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

Group	2017 £	2016 £
Amounts payable:		
Within 1 year	32,164	17,740
Between 1 and 5 years	59,220	11,997
Total	<u>91,384</u>	<u>29,737</u>

At 31 August 2017 the Academy had annual commitments under non-cancellable operating leases as follows:

Academy		
Amounts payable:		
Within 1 year	32,164	17,740
Between 1 and 5 years	59,220	11,997
Total	<u>91,384</u>	<u>29,737</u>

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.

THE ROBERT CARRE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Academy occupies the leasehold buildings at a peppercorn rent under the terms of a 125 year lease that commenced on 1 August 2011. The landlords are an excepted charity The Foundation of Carre's Grammar School, and 4 of the trustees of this charity are also members of The Robert Carre Trust. The excepted charity is a related party by virtue of 4 of its trustees also being trustees of the charitable company. A rent of £1,248 (2016: £1,250) was paid to the Foundation of Carre's Grammar School in the year.

During the year the Academy bought goods from Hockmeyer Motors Limited, a company in which R Hockmeyer is a director, of £770 (2016: £nil).

During the year the Academy bought goods from Turnbull and Company Ltd, a company in which S Hopkins' wife is a director of £2,298 (2016: £nil).

28. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2017 the trust received £34,089 and disbursed £32,335 from the fund. At the year end £1,754 was owing to students.

29. CONTROLLING PARTY

The trustees, as a body, have ultimate control of the Academy.

30. PRINCIPAL SUBSIDIARIES

Carre's Grammar School Trading Limited

Subsidiary name	Carre's Grammar School Trading Limited
Company registration number	09526753 (England and Wales)
Basis of control	100%
Equity shareholding %	100%
Total assets as at 31 August 2017	£ 146,656
Total liabilities as at 31 August 2017	£ 146,655
Total equity as at 31 August 2017	£ 1
Turnover for the year ended 31 August 2017	£ 409,915
Expenditure for the year ended 31 August 2017	£ 409,915
Result for the year ended 31 August 2017	£ -