

Company Registration Number: 07953354 (England & Wales)

HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

FRIDAY



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COMPANIES HOUSE

 **Bishop Fleming**
Chartered Accountants

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Members	S Marlow M Rayner P Farr B Ashmead-Siers (resigned 16 March 2017) J McMahon A Bard
Trustees	S Marlow, Chair ^{1,2,3} P L Leek-Wright, Headteacher and Accounting Officer ^{1,2,3} M Rayner ³ B Ashmead-Siers (resigned 16 March 2017) ¹ K Slack ³ A Bard ¹ D Baughan (appointed 1 October 2016) ^{1,2,3} R Peakman (appointed 1 October 2016) ^{1,2,3} N Tate (appointed 16 March 2017) S Ward (appointed 14 June 2017) S Whitehead (appointed 16 March 2017) ^{1,2,3} B Whittall (appointed 19 January 2017) ^{2,3} P Farr ^{2,3} J McMahon ²

¹ Finance and Resources Committee

² Performance and Standards Committee

³ Safeguarding and Welfare Committee

All the Trustees listed above are also Trustees and Directors of the Company Limited by Guarantee.

Company registered number	07953354
Company name	Holy Trinity School Academy Trust
Principal and registered office	Holy Trinity School Academy Trust Birmingham Road Kidderminster Worcestershire DY10 2BY
Accounting Officer	P L Leek-Wright
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Barclays Bank plc 66 Oxford Street Kidderminster Worcestershire DY10 1BL
Solicitors	Wragge Lawrence Graham & Co. 2 Snowhill Birmingham B4 6WR

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Group and Company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a Free School for pupils aged 4 to 18 in Kidderminster. It has a pupil capacity of 688 and had a roll of 554 in the school census on 18 May 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company and the group's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Holy Trinity School Academy Trust are also the directors of the Charitable Company and the group for the purposes of company law. The Charitable Company is known as Holy Trinity School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

The Group comprises Holy Trinity School Academy Trust, the parent company which is a company limited by guarantee and exempt charity; and its wholly owned subsidiary, Little Trinity Limited, a company limited by guarantee.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Academy's Board of Trustees comprises the Headteacher, and 12 other Trustees.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 10 Trustees who are appointed by members.
- up to 2 Parent Trustees who are elected by Parents of registered pupils at the School.
- the Headteacher who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the School's development.

**HOLY TRINITY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the School and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets twice each term. The Board has established an overall framework for the governance of the School and determined terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are three committees as follows:

- Finance and Resources Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Performance and Standards - this meets once a term to monitor, evaluate and review School policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations
- Safeguarding and Welfare – this meets once a term to monitor, evaluate and review safeguarding, behavior and pastoral issues.

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

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the School to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, Assistant Heads and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually.

**HOLY TRINITY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Connected Organisations, including Related Party Relationships

Little Trinity Nursery, a subsidiary of the School, use part of the School buildings.

There is a Parent Teacher Association which carries out fundraising activities and makes donations to the School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the School is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum within an international perspective.

The principal object and activity of the Charitable Company is the operation of Holy Trinity School to provide free education and care for pupils of different abilities.

The aims of the School during the year ended 31 August 2017 are summarised below:

- to support our children and students to become fulfilled and confident young people in a globalised environment.
- to encourage all children and students to achieve the best possible qualifications and develop their talents to the full.
- to provide a happy, professional and secure environment for all.
- to ensure a seamless continuum of education, with a strong home-school partnership.
- to promote an international and inter cultural understanding for a changing world.
- to provide a broad and balanced curriculum, including extra curricular activities.
- to develop the School site so that it enables students to achieve their full potential.
- to improve the effectiveness of the School by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the School's capacity to manage change, and
- to conduct the School's business in accordance with the highest standards of integrity, probity and openness.

At Holy Trinity School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our School is a community in which children, staff and parents should be part of a happy and caring environment.

This is encapsulated by the School's mission statement:

"To inspire and challenge young people to become lifelong learners who are inquiring, knowledgeable, respectful and compassionate and who are active participants in their own education", and the school motto of "Attend, Aspire, Achieve".

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan which is available from the School Office. Improvement focuses identified for this year include:

- Greater consistency with regard to marking and feedback, with particular emphasis on self / peer assessment against objectives and success criteria.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

- Monitoring and review of vulnerable groups within the school, including PP, SEN(D), more able, EAL, LAC and boys.
- Challenge for all pupils regardless of ability or Key Stage with a particular focus on writing skills.

Key activities and targets were identified in the School Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Free School status. The targets included the following:

Leadership and Management

- Greater staff accountability in taking ownership of impact of teaching and learning against the key objectives – senior leaders to help develop middle managers further.
- Deepen awareness of all staff of progress across all key stages – extend work across primary and secondary phase beyond English and Maths.
- Quicker turn-around of implementation of Teacher Support Programme.
- Greater review of CPD requirements and subsequent impact.

Pupil Outcomes

- Develop further an evaluative summary of current pupils on roll compared with those who have left or taken tests in recent years.
- Ensure comparison of vulnerable groups with other pupils nationally who have same starting point is utilised by all staff.
- Ensure that all subject leaders in senior school have an overview of the progress within their subject across the key stages.
- EYFS attainment of ELG in language and communication- focus on summer born and EAL.
- Develop greater awareness of secondary staff of those groups which are in receipt of additional funding and demonstrate how resources are used to effect good learning and inclusion.
- Review of level of challenge at Year 7 through use of data.
- Moderation of targets under the new tracking and monitoring structure.

Personal Development, Behaviour and Welfare

- Use of pupils to help cascade information around E-safety.
- Greater involvement of middle managers in monitoring attendance with parents.
- Careers provision within Year 9 and more structured programme of events.
- Further develop role of SENCO in supporting key members of staff.

Quality of Teaching

- Develop further differentiation through challenge of task rather than through outcome.
- Greater evidence of learning conversations in line with feedback and marking policy at Senior level.
- More detailed analysis of vulnerable groups by staff.
- Develop writing skills throughout the school, developing wider use of vocabulary and attention to presentation- with particular reference to boys.
- Ensure staff have opportunity to observe each other to ensure dissemination of best practice and greater understanding of how pupils learn across different key stages.
- Use of Cued Articulation across all of KS1 to improve literacy skills.
- Nurture a more effective culture for precision teaching for boys to ensure they make expected/ aspirational progress.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the School's aims and objectives and in planning its future activities.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

STRATEGIC REPORT

Achievements and Performance

The Academy student numbers continue to increase with expectations. Numbers in the Sixth Form are below the forecast but plans have been put in place to increase numbers. The total number of students in the year ended 31 August 2017 was 554 but this has increased to 606 in September 2017 due to an increased Reception and Year 7.

The provisional results for the school are as follows:

Primary School

Pupils meeting the expected standard in reading, writing and maths

School	65%
Local Authority average	48%
England average	53%

Pupils achieving a higher standard in reading, writing and maths

School	0%
Local Authority average	5%
England average	5%

Average score in reading

School	105
Local Authority average	102
England average	103

Average score in maths

School	104
Local Authority average	102
England average	103

The progress scores in reading, writing and maths were -3.9, -5.3 and -2.7 respectively.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Secondary

Attainment 8 Score

School	53.1
Local Authority average	46.3
England average	44.2

Grade 5 or above in English & maths GCSEs

School	60%
Local Authority average	43.7%
England average	39.1%

Achieving EBacc at grade 5/C or above

School	15%
Local Authority average	21.1%
England average	19.5%

Entering EBacc

School	30%
Local Authority average	40.8%
England average	34.9%

Staying in education or entering employment

School	100%
Local Authority average	95%
England average	94%

The Progress 8 score was -0.56.

16-18

Average Result

	Average result	Points
School	D+	23.28
Local Authority average	C	29.28
England average	C+	32.11

Percentage of students completing their main study programme

School	100%
Local Authority average	96%
England average	96.1%

The progress score was -0.78.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

The monitoring and support of staff at Holy Trinity is evolving continuously and has gone through some very positive developments. The implementation of the Appraisal cycle has been used to set individual staff targets linked to the School Development Plan. In support of this, lesson observations are undertaken, as are book trawls, (every fortnight) and staff meetings in which marking and feedback is regularly assessed. Analysis of targets against baseline assessments and interventions are also reviewed on a regular basis. The school has recently introduced staff mentoring to cascade good practice and is launching a teacher support programme to address any issues raised through observations.

There have been regular and robust methods of monitoring teaching and learning, through learning walks (one per half term), after which individual feedback is given to the member of staff or department on how to develop further as well as a whole school feedback that sets some global targets for all staff to be aware of.

To support staff in their teaching and learning and in creating dynamic lessons the school has implemented a fortnightly teaching and learning newsletter that gives ideas of good practice for staff to access.

During the year the reconfiguration works, which included new heating and lighting throughout the year, were completed. This has been funded by the ESFA as part of the funding agreement.

The Senior Library was refurbished using devolved capital funding.

The Local Authority funded the installation of a lift in the Sixth Form area of the school, a stair lift to the Concert Hall and a platform lift for disabled pupils to go on stage in the Concert Hall.

The school has an extremely active Parent Teachers Association who raised considerable funds helping to increase literacy enrichment provision for both senior and primary phases and also provided a new minibus for the School.

The Academy has established close links with Rivers Academy. All schools linked with Holy Trinity for school to school support have been rated outstanding by OFSTED.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, all GAG income was expended and no GAG income is to be carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2017 were 554, which are anticipated to rise until 2018/19.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2017 this was 94% (2016: 91%) excluding the subsidiary staff costs and the LGPS service cost.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Principal Risks and Uncertainties section of the Trustees report and note 1.2 in the Statement of accounting policies.

FINANCIAL REVIEW

Financial Review

Most of the School's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

The School also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the School's accounting policies.

During the year ended 31 August 2017, the School received total income of £3,666k and incurred total expenditure of £3,523k. The excess of income over expenditure for the year was £143k.

At 31 August 2017 the net book value of fixed assets was £8,739k and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the School.

The land, buildings and other assets were transferred to the School upon conversion. Land and buildings were professionally valued on 31 March 2015 at £3,815,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

Key financial policies adopted or reviewed during the year include the Financial Regulations which lay out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings.

Reserves Policy

The Trustees review the reserve levels of the School annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the School, the uncertainty over future income streams and other key risks identified during the risk review.

The School currently has a deficit on free reserves which is partly as a result of a decision to invest in the infrastructure of the School. Over the recent past, the School has undertaken a significant building improvement programme, and has expanded its teaching capacity accordingly. As pupil numbers increase, funding will increase accordingly, and the Trustees expect to return to surplus free reserves.

At this stage the Trustees have not set a target level of reserves because the policy is to ensure funding received is spent on pupils that are currently within the School. The Trustees nevertheless want to see the School developing a reasonable level of free reserves to enable it to cope with unexpected expenditure and income shortfalls, whilst balancing the working capital requirements of the School, and will keep this under review in the coming years. The School prepares financial plans for the next 5 years alongside the annual budget, and the Trustees will continue to monitor the level of reserves.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

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

The principal risks and uncertainties facing the School when it opens are as follows:

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Financial - the School has considerable reliance on continued Government funding through the ESFA. In the last year 77.9% (2016: 77.5%) of the School's incoming resources, but excluding capital, were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The school is still not at full capacity which puts pressure on the financial position but this will improve as the school increase capacity each year until 1 September 2018, when it will be at full capacity. In addition, the intake to the School in Year 7 will increase by 25 each year from 1 September 2018 which will increase the capacity of the school to 788 by 1 September 2022.

The Academy has a deficit on free reserves of £71k at 31 August 2017. The Academy forecasts having surplus free reserves by 31 August 2019, and the Trustees assume that the Academy will be able to continue to operate as budgeted during this period, based on the following assumptions:

- a) Pupil numbers increased by 25 from 1 September 2017, and are forecast to increase by a further 25 for five more years from 1 September 2018 as the Academy has moved from a two to a three form entry in year 7. There is a one year lag in funding for an increase in pupil numbers.
- b) There are no significant unbudgeted expenditure or capital expenditure, unless supported by additional funding, with staffing costs expected to increase during the period 2018 to 2022 to support the increased pupil numbers.
- c) Working capital, including a balance of £101k due in connection with LGPS contributions not yet remitted to the Pension Fund, is managed within the Academy's current bank facilities and no unauthorised borrowing will be required.

On this basis the Trustees 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.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the School's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees will review and ensure that appropriate measures are in place to mitigate these risks.

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

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

Staffing - the success of the School is reliant upon the quality of its staff and so the Trustees will monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - All finance staff will receive training to keep them up to date with financial practice requirements and develop their skills in this area.

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

Whilst the School is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees will examine the financial health formally every term. They will review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings.

At the year end, the School had a liability of £100,520 to the Local Government Pension Scheme, relating to contributions yet to be remitted to the Pension Fund. This will be cleared during 2017/18.

PLANS FOR FUTURE PERIODS

The School will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The School will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Major refurbishment of the School took between September 2015 and October 2016 which has resulted in an increase in the capacity of the school to 688 pupils.

There are plans in place to increase the capacity of Senior School (Year 7-11) by an additional 125 pupils. This will be achieved by admitting an extra 25 pupils into Year 7 over a five year period commencing 1 September 2018.

We plan to maintain small class sizes which will reflect in academic outcomes being improved.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

TRUSTEES INDEMNITIES

There were no third party indemnity provisions during the year or at the date of approval of the Trustees' report.

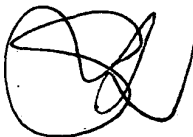
AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company'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 auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 15.12.17 and signed on the board's behalf by:



**Mrs Susan Marlow
Chair of Trustees**

**HOLY TRINITY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Holy Trinity School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Marlow, Chair	7	7
P Farr	5	7
P L Leek-Wright, Headteacher and Accounting Officer	7	7
R Peakman	6	6
D Baughan	3	6
B Whittall	2	3
S Whitehead	3	3
N Tate	3	3
M Rayner	1	7
J McMahon	7	7
B Ashmead-Siers	0	5
K Slack	7	7
A Bard	7	7
S Ward	1	1

M Rayner was on a sabbatical from 1 October 2016 to 31 August 2017.

Governance reviews

The Trust conducted a self-evaluation of governance in September 2017. The results were summarised and it was agreed that a defined list of responsibilities and reporting structures should be compiled. A meeting between the Chair of Governors, Headteacher and the Governor responsible for managing the audit was agreed to take place before the next full Governors' meeting.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.

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GOVERNANCE STATEMENT (continued)

During the year D Baughan and S Whitehead joined the committee and B Ashmead-Siers resigned. Attendance at meetings in the year was as follows:

Member	Meetings attended	Out of a possible
A Bard (Chair)	5	5
P Leek-Wright	5	5
J McMahon	5	5
R Peakman	4	5
D Baughan	1	2
B Ashmead-Siers	0	3
S Marlow	3	5
S Whitehead	2	2

The Performance and Standards Committee is also a sub-committee of the main Board of Trustees. Its purpose is to evaluate and review School policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations.

During the year B Whittall and S Whitehead joined the committee. Attendance at meetings in the year was as follows:

Member	Meetings attended	Out of a possible
P Farr (Chair)	5	5
P Leek-Wright	5	5
S Marlow	5	5
R Peakman	4	5
D Baughan	3	5
B Whittall	2	3
S Whitehead	2	2

The Safeguarding and Welfare Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review safeguarding, behaviour and pastoral issues.

During the year B Whittall and S Whitehead joined the committee. Attendance at meetings in the year was as follows:

Member	Meetings attended	Out of a possible
S Marlow (Chair)	5	5
P Leek-Wright	5	5
P Farr	5	5
K Slack	4	5
M Rayner	0	5
R Peakman	5	5
D Baughan	3	5
B Whittall	2	3
S Whitehead	3	3

REVIEW OF VALUE FOR MONEY

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

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

- Fully utilising the swimming pool for both pupils and the community. This provides a facility for community users whilst generating income for the school.
- Using framework agreements when procuring goods and services.
- Retendered the electricity and gas contracts
- Retendered the catering contract
- Reviewing quality of curriculum provision and quality of teaching.

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 Holy Trinity School Academy 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.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming LLP, the external auditors, to perform additional checks.

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

Testing of payroll systems
Testing of purchased systems
Testing of control account/bank reconciliations
Testing of income

On a termly basis, the Responsible Officer's report to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the 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 auditors;
- the work of the Responsible Officer;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15/12/17 and signed on their behalf, by:

**Mrs Susan Marlow
Chair of Trustees**



**Mrs Pamela Leek-Wright
Accounting Officer**



**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



**Mrs Pamela Leek-Wright
Accounting Officer**

15/12/2017

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees (who act as governors of Holy Trinity School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Group strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

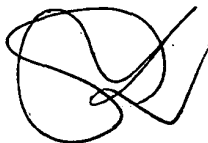
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



**Mrs Susan Marlow
Chair of Trustees**

Date: 15/12/17

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

We have audited the financial statements of Holy Trinity School Academy Trust (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2017 which comprise the Consolidated statement of financial activities incorporating income and expenditure account, the Consolidated balance sheet, the Academy Trust balance sheet, the 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 Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's 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 Trust 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 Trust'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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1.2 in the financial statements, which indicates that the current deficit on free reserves may cast significant doubt on the group's ability to continue as a going concern. As stated in note 1.2, these events or conditions, along with the other matters as set forth in the note 1.2 indicate that a material uncertainty exists that may cast significant doubt on the group's or the parent Academy Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent Academy Trust 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 Trust financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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.

Bishop Fleming LLP

John Talbot FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: *20 December 2017*

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 3 February 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 Holy Trinity School Academy 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 Holy Trinity School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holy Trinity School Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Holy Trinity School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF HOLY TRINITY SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Holy Trinity School Academy Trust's funding agreement with the Secretary of State for Education dated 26 June 2014, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HOLY
TRINITY SCHOOL ACADEMY 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.

Bishop Fleming LLP

John Talbot FCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date: *20 December 2017*

HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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 £	As restated Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	4,697	-	481,597	486,294	3,072,650
Charitable activities	6	86,435	2,481,042	-	2,567,477	2,461,493
Other trading activities	3,4	611,775	-	-	611,775	573,229
Investments	5	734	-	-	734	549
TOTAL INCOME		703,641	2,481,042	481,597	3,666,280	6,107,921
EXPENDITURE ON:						
Raising funds	4	254,166	-	-	254,166	302,039
Charitable activities		524,954	2,530,969	212,477	3,268,400	3,037,289
TOTAL EXPENDITURE	7	779,120	2,530,969	212,477	3,522,566	3,339,328
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(75,479)	(49,927)	269,120	143,714	2,768,593
Transfers between Funds	21	-	(67,751)	67,751	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(75,479)	(117,678)	336,871	143,714	2,768,593
Actuarial gains/(losses) on defined benefit pension schemes	25	-	12,000	-	12,000	(25,000)
NET MOVEMENT IN FUNDS		(75,479)	(105,678)	336,871	155,714	2,743,593
RECONCILIATION OF FUNDS:						
Total funds brought forward		75,479	(38,000)	8,402,289	8,439,768	5,696,175
TOTAL FUNDS CARRIED FORWARD		-	(143,678)	8,739,160	8,595,482	8,439,768

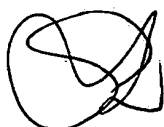
The notes on pages 27 to 51 form part of these financial statements.

HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07953354

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	As restated 2016 £
FIXED ASSETS				
Tangible assets	15		8,739,160	8,390,757
CURRENT ASSETS				
Debtors	16	136,732		846,339
Cash at bank and in hand		166,397		198,137
		<u>303,129</u>		<u>1,044,476</u>
CREDITORS: amounts falling due within one year	17	(373,807)		(953,445)
NET CURRENT (LIABILITIES)/ASSETS			(70,678)	91,031
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,668,482</u>	<u>8,481,788</u>
CREDITORS: amounts falling due after more than one year	18		-	(4,020)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>8,668,482</u>	<u>8,477,768</u>
Defined benefit pension scheme liability	25	(73,000)		(38,000)
NET ASSETS			<u><u>8,595,482</u></u>	<u><u>8,439,768</u></u>
FUNDS OF THE ACADEMY TRUST				
Restricted funds:				
General funds	21	(70,678)		-
Fixed asset funds	21	8,739,160		8,402,289
Restricted funds excluding pension liability		<u>8,668,482</u>		<u>8,402,289</u>
Pension reserve		<u>(73,000)</u>		<u>(38,000)</u>
Total restricted funds			<u>8,595,482</u>	<u>8,364,289</u>
Unrestricted funds	21		-	75,479
TOTAL FUNDS			<u><u>8,595,482</u></u>	<u><u>8,439,768</u></u>

The financial statements on pages 23 to 51 were approved by the Trustees, and authorised for issue, on 15/12/17 and are signed on their behalf, by:



Mrs Susan Marlow
Chair of Trustees

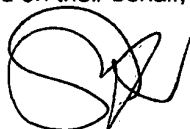
The notes on pages 27 to 51 form part of these financial statements.

HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07953354

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	As restated 2016 £
FIXED ASSETS					
Tangible assets	15		8,739,160		8,390,757
CURRENT ASSETS					
Debtors	16	224,401		903,374	
Cash at bank and in hand		73,839		138,436	
		<u>298,240</u>		<u>1,041,810</u>	
CREDITORS: amounts falling due within one year	17	<u>(368,918)</u>		<u>(950,779)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(70,678)</u>		<u>91,031</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,668,482</u>		<u>8,481,788</u>
CREDITORS: amounts falling due after more than one year	18		<u>-</u>		<u>(4,020)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>8,668,482</u>		<u>8,477,768</u>
Defined benefit pension scheme liability	25		<u>(73,000)</u>		<u>(38,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>8,595,482</u></u>		<u><u>8,439,768</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds		(70,678)		-	
Restricted fixed asset funds		8,739,160		8,402,289	
Restricted funds excluding pension asset		<u>8,668,482</u>		<u>8,402,289</u>	
Pension reserve		<u>(73,000)</u>		<u>(38,000)</u>	
Total restricted funds			<u>8,595,482</u>		<u>8,364,289</u>
Unrestricted funds			<u>-</u>		<u>75,479</u>
TOTAL FUNDS			<u><u>8,595,482</u></u>		<u><u>8,439,768</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 15/12/17 and are signed on their behalf, by:



Mrs Susan Marlow
Chair of Trustees

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2017 £	As restated 2016 £
Cash flows from operating activities			
Net cash used in operating activities	23	(13,202)	(2,139)
Cash flows from investing activities:			
Interest received		734	549
Purchase of tangible fixed assets		(776,118)	(3,947,348)
Capital grants from DfE/ESFA		762,877	3,878,687
Net cash used in investing activities		(12,507)	(68,112)
Cash flows from financing activities:			
Repayments of borrowings		(6,031)	(4,041)
Net cash used in financing activities		(6,031)	(4,041)
Change in cash and cash equivalents in the year		(31,740)	(74,292)
Cash and cash equivalents brought forward		198,137	272,429
Cash and cash equivalents carried forward	24	166,397	198,137

The notes on pages 27 to 51 form part of these financial statements.

HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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.

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

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Academy Trust 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 Trust 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The Academy has a deficit on free reserves of £71k at 31 August 2017. The Academy forecasts having surplus free reserves by 31 August 2019, and the Trustees assume that the Academy will be able to continue to operate as budgeted during this period.

The trustees' assessment that it is appropriate to use the going concern assumption is based upon the following.

- a) Pupil numbers increased by 25 from 1 September 2017, and are forecast to increase by a further 25 each year from 1 September 2018 as the Academy has moved from a two to a three form entry in year 7. There is a one year lag in funding for an increase in pupil numbers.
- b) There are no significant unbudgeted expenditure or capital expenditure, unless supported by additional funding, with staffing costs expected to increase in 2018 to support the increased pupil numbers.
- c) Working capital, including a balance of £101k due in connection with LGPS contributions not yet remitted to the Pension Fund, is managed within the Academy's current bank facilities and no unauthorised borrowing will be required.

On this basis the Trustees have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

All incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount 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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations are recognised on a receivable basis (where there are no performance-related conditions), where the receipt is probable and it can be reliably measured.

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy has provided the goods and services.

1.4 EXPENDITURE

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

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

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

All expenditure is inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £5,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long term leasehold land	-	125 year Straight line
Long term leasehold property	-	2% Straight line
Motor vehicles	-	33% Straight line
Fixtures and fittings	-	20% Straight line
Computer equipment	-	20% Straight line

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

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

1.6 BASIS OF CONSOLIDATION

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

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

The income and expenditure account for the year dealt with in the accounts of the Academy Trust was £113,727 (2016: £149,301).

1.7 DEBTORS

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

**HOLY TRINITY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.8 CASH AT BANK AND IN HAND

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

1.9 LIABILITIES AND PROVISIONS

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

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust'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 Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 TAXATION

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

1.12 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Academy Trust. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1. ACCOUNTING POLICIES (continued)

1.13 OPERATING LEASES

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

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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, 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 FUND ACCOUNTING

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

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.16 AGENCY ARRANGEMENTS

The Academy acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy 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, paid and any balances held at year end are disclosed in note 31.

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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

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NOTES TO THE FINANCIAL STATEMENTS
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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	4,697	-	15,995	20,692	2,675
Capital Grants	-	-	465,602	465,602	3,069,975
	<u>4,697</u>	<u>-</u>	<u>481,597</u>	<u>486,294</u>	<u>3,072,650</u>
<i>Total 2016</i>	<u>2,675</u>	<u>-</u>	<u>3,069,975</u>	<u>3,072,650</u>	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	65,813	-	65,813	81,540
Fees received	178,068	-	178,068	170,793
	<u>243,881</u>	<u>-</u>	<u>243,881</u>	<u>252,333</u>
<i>Total 2016</i>	<u>252,333</u>	<u>-</u>	<u>252,333</u>	

4. TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
CHARITY TRADING INCOME				
Nursery income	367,894	-	367,894	320,896
	<u>367,894</u>	<u>-</u>	<u>367,894</u>	<u>320,896</u>
FUNDRAISING TRADING EXPENSES				
Nursery expenditure	254,166	-	254,166	302,039
	<u>254,166</u>	<u>-</u>	<u>254,166</u>	<u>302,039</u>
Net income from trading activities	<u>113,728</u>	<u>-</u>	<u>113,728</u>	<u>18,857</u>

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NOTES TO THE FINANCIAL STATEMENTS
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5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	734	-	734	549
<i>Total 2016</i>	549	-	549	

6. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	2,291,079	2,291,079	2,159,250
Start up Grants	-	24,750	24,750	36,750
Other DfE/ESFA grants	-	150,016	150,016	134,901
	-	2,465,845	2,465,845	2,330,901
Other Government grants				
High Needs	-	15,197	15,197	21,379
	-	15,197	15,197	21,379
Other funding				
Internal catering income	34,986	-	34,986	62,448
Sales to students	3,091	-	3,091	3,789
Other	48,358	-	48,358	42,976
	86,435	-	86,435	109,213
	86,435	2,481,042	2,567,477	2,461,493
<i>Total 2016</i>	109,213	2,352,280	2,461,493	

HOLY TRINITY SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. EXPENDITURE

	Staff costs	Premises	Other costs	Total	As restated
	2017	2017	2017	2017	Total
	£	£	£	£	2016
					£
Expenditure on fundraising trading	211,865	-	42,301	254,166	302,039
Education - Direct costs:					
Direct costs	1,917,031	212,478	257,421	2,386,930	2,155,071
Support costs	295,542	254,145	331,783	881,470	869,218
	<u>2,424,438</u>	<u>466,623</u>	<u>631,505</u>	<u>3,522,566</u>	<u>3,326,328</u>
<i>Total 2016</i>	<u>2,235,956</u>	<u>422,216</u>	<u>681,156</u>	<u>3,339,328</u>	

8. DIRECT COSTS

	Total	As restated
	2017	Total
	£	2016
		£
Finance income and expenses	1,797	3,348
Educational supplies	66,512	54,001
Examination fees	16,366	19,838
Other costs	135,815	129,219
Supply teachers	30,860	60,117
Technology costs	36,932	33,134
Wages and salaries	1,527,583	1,423,565
National insurance	120,713	98,930
Pension cost	237,875	195,507
Depreciation	212,477	144,412
	<u>2,386,930</u>	<u>2,162,071</u>
<i>Total 2016</i>	<u>2,162,071</u>	

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

9. SUPPORT COSTS

	Total	As restated
	2017	Total
	£	2016
		£
Staff development	19,168	25,013
Other costs	13,563	14,634
Recruitment and support	2,220	8,333
Maintenance of premises and equipment	64,069	62,837
Cleaning	70,821	77,050
Rent and rates	16,858	16,053
Energy costs	78,820	83,208
Insurance	12,646	17,473
Security and transport	10,932	16,147
Catering	112,512	128,538
Technology costs	2,919	-
Office overheads	32,860	41,554
Legal and professional	130,186	107,854
Bank interest and charges	2,797	2,374
(Profit) / Loss on disposal of fixed assets	-	2,164
Governance	15,557	11,103
Wages and salaries	235,914	213,943
National insurance	15,612	12,672
Pension cost	44,016	21,083
Depreciation	-	13,185
	881,470	875,218
<i>Total 2016</i>	875,218	

10. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charitable group	212,477	157,597
Auditors' remuneration - audit	9,900	9,770
Auditors' remuneration - non-audit	2,000	1,333
Operating lease rentals	6,924	6,924

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

11. STAFF COSTS

Staff costs were as follows:

	2017 £	As restated 2016 £
Wages and salaries	1,963,389	1,837,528
Social security costs	148,298	121,721
Operating costs of defined benefit pension schemes	281,891	216,590
	<u>2,393,578</u>	<u>2,175,839</u>
Supply teacher costs	30,860	60,117
	<u>2,424,438</u>	<u>2,235,956</u>

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

	2017 No.	2016 No.
Teachers	46	42
Administration and support	40	41
Management	7	7
	<u>93</u>	<u>90</u>

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

	2017 No.	As restated 2016 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as 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 £398,249 (2016: £397,979).

As staff trustees are not remunerated in respect of their role as Trustee, where staff trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

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NOTES TO THE FINANCIAL STATEMENTS
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12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of trustees' remuneration and other benefits for the year ended 31 August 2017 (2016) was as follows: P Leek-Wright (Headteacher): remuneration £60,000-£65,000 (£60,000-£65,000), employer's pension contributions £10,000-£15,000 (£5,000-£10,000); Caroline Farnsworth (Staff Trustee): remuneration £Nil (£5,000-£10,000), employer's pension contributions £NIL (£0-£5,000); Katherine Slack (Staff Trustee): remuneration £20,000-£25,000 (£10,000-£15,000), employer's pension contributions £0-£5,000 (£0-£5,000); S Ward (Staff Trustee): remuneration £15,000-£20,000 (£Nil), employer's pension contributions £Nil (£Nil).

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 no Trustees).

Other related party transactions involving the trustees are set out in note 27.

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. INTEREST PAYABLE

	2017	2016
	£	£
On hire purchase contracts	1,797	3,348

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NOTES TO THE FINANCIAL STATEMENTS
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15. TANGIBLE FIXED ASSETS

GROUP	Longterm leasehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2016	8,430,262	-	131,618	91,058	8,652,938
Additions	482,293	15,995	50,205	12,387	560,880
At 31 August 2017	8,912,555	15,995	181,823	103,445	9,213,818
DEPRECIATION					
At 1 September 2016	195,771	-	26,732	39,678	262,181
Charge for the year	163,373	-	32,742	16,362	212,477
At 31 August 2017	359,144	-	59,474	56,040	474,658
NET BOOK VALUE					
At 31 August 2017	8,553,411	15,995	122,349	47,405	8,739,160
At 31 August 2016	8,234,491	-	104,886	51,380	8,390,757

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

15. TANGIBLE FIXED ASSETS (continued)

	Longterm leasehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
ACADEMY TRUST					
COST					
At 1 September 2016	8,430,262	-	131,618	91,058	8,652,938
Additions	482,293	15,995	50,205	12,387	560,880
At 31 August 2017	8,912,555	15,995	181,823	103,445	9,213,818
DEPRECIATION					
At 1 September 2016	195,771	-	26,732	39,678	262,181
Charge for the year	163,373	-	32,742	16,362	212,477
At 31 August 2017	359,144	-	59,474	56,040	474,658
NET BOOK VALUE					
At 31 August 2017	8,553,411	15,995	122,349	47,405	8,739,160
At 31 August 2016	8,234,491	-	104,886	51,380	8,390,757

16. DEBTORS

	GROUP		ACADEMY TRUST	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	21,017	76,243	21,017	84,175
Amounts owed by group undertakings	-	-	87,669	55,909
VAT Recoverable	15,999	206,619	15,999	206,619
Other debtors	13,995	100,578	13,995	93,772
Prepayments and accrued income	85,721	462,899	85,721	462,899
	136,732	846,339	224,401	903,374

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

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		ACADEMY TRUST	
	2017	2016	2017	2016
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	4,020	6,031	4,020	6,031
Trade creditors	122,107	258,895	122,107	258,895
Other taxation and social security	37,752	37,639	34,412	34,973
Other creditors	160,262	210,960	158,713	210,960
Accruals and deferred income	49,666	439,920	49,666	439,920
	373,807	953,445	368,918	950,779

	GROUP		ACADEMY TRUST	
	£	£	£	£
DEFERRED INCOME				
Deferred income at 1 September 2016	31,355	-	31,355	-
Resources deferred during the year	39,766	-	39,766	-
Amounts released from previous years	(31,355)	-	(31,355)	-
Deferred income at 31 August 2017	39,766	-	39,766	-

At the balance sheet date the Academy was holding funds received in advance for Universal Infant Free School Meals and trips booked for the autumn term 2017.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP		ACADEMY TRUST	
	2017	2016	2017	2016
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	-	4,020	-	4,020

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	GROUP		ACADEMY TRUST	
	2017	2016	2017	2016
	£	£	£	£
Between one and five years	-	4,020	-	4,020

Net obligations under finance leases and hire purchase contracts are included in creditors under one year and over one year, and are secured by fixed charges on the assets concerned. All finance leases and hire purchase contracts were entered into prior to conversion to an Academy Trust.

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

19. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets measured at fair value through income and expenditure	166,397	198,137
Financial assets measured at amortised cost	73,924	846,339
	<u>240,321</u>	<u>1,044,476</u>
Financial liabilities measured at amortised cost	<u>330,022</u>	<u>947,414</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank.

Financial assets measured at amortised cost comprise, trade debtors, other debtors and accrued income.

Financial liabilities measured at fair value through income and expenditure comprise trade creditors, other creditors and accruals.

20. PRIOR YEAR ADJUSTMENT

Following the receipt of information relating to LGPS, the accounting policy for the LGPS has been changed to account for it as a defined benefit pension scheme. The prior year adjustment relates to the recognition of the agreed final pension liability outstanding as at the 31 August 2016. The impact of the prior year adjustment was an increased expense of £13,000 on the Statement of Financial Activities, a reduction in Net Assets of £38,000 due to the pension liability and a decrease in restricted funds of £38,000.

HOLY TRINITY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS

	Brought forward As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General Funds	75,479	703,641	(779,120)	-	-	-
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	2,291,079	(2,294,006)	(67,751)	-	(70,678)
Universal Infant Free School Meals	-	50,255	(50,255)	-	-	-
Higher Needs funding (SEN)	-	15,197	(15,197)	-	-	-
Pupil Premium (PP)	-	69,283	(69,283)	-	-	-
Other Grants	-	55,228	(55,228)	-	-	-
Pension reserve	(38,000)	-	(47,000)	-	12,000	(73,000)
	(38,000)	2,481,042	(2,530,969)	(67,751)	12,000	(143,678)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	3,600,627	-	(123,358)	-	-	3,477,269
Fixed assets purchased from GAG and other restrict	50,610	-	(23,672)	67,751	-	94,689
DfE/ESFA Capital grants	1,691,124	27,060	(36,403)	-	-	1,681,781
Capital Expansion Grant	3,059,928	273,735	(29,044)	-	-	3,304,619
Donations from LA	-	180,802	-	-	-	180,802
	8,402,289	481,597	(212,477)	67,751	-	8,739,160
Total restricted funds	8,364,289	2,962,639	(2,743,446)	-	12,000	8,595,482
Total of funds	8,439,768	3,666,280	(3,522,566)	-	12,000	8,595,482

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
UNRESTRICTED FUNDS						
General Funds	204,100	685,666	(438,382)	(375,905)	-	75,479
	204,100	685,666	(438,382)	(375,905)	-	75,479

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21. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General Annual Grant (GAG)	-	2,159,250	(2,535,155)	375,905	-	-
Universal Infant Free School Meals	-	53,751	(53,751)	-	-	-
Higher Needs funding (SEN)	-	21,379	(21,379)	-	-	-
Pupil Premium (PP)	-	56,068	(56,068)	-	-	-
Other Grants	-	61,832	(61,832)	-	-	-
Pension reserve	-	-	(38,000)	-	-	(38,000)
	-	2,352,280	(2,766,185)	375,905	-	(38,000)

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion	3,723,985	-	(123,358)	-	-	3,600,627
Fixed assets purchased from GAG and other restrict	50,610	-	-	-	-	50,610
DfE/ESFA Capital grants	1,717,480	10,047	(36,403)	-	-	1,691,124
Capital Expansion Grant	-	3,059,928	-	-	-	3,059,928
	5,492,075	3,069,975	(159,761)	-	-	8,402,289
Total restricted funds	5,492,075	5,422,255	(2,925,946)	375,905	-	8,364,289
Total of funds	5,696,175	6,107,921	(3,364,328)	-	-	8,439,768

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

RESTRICTED FUNDS:

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs. The Academy has a deficit on GAG reserves. It has a plan in place to remedy this in the short to medium term.

Universal Infant Free School Meals (UIFSM) - Income received from the ESFA to provide free school meals to reception and key stage 1 pupils.

Higher Needs funding (SEN) - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium (PP) - Income from the ESFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the students who need it most.

Other Grants - Income which has been received for specific reasons.

Pension Reserve - This represents the Academy's share of the net assets and liabilities in the Local Government Pension Scheme.

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21. STATEMENT OF FUNDS (continued)

FIXED ASSET FUNDS:

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG - This represents capital assets that have been purchased out of restricted GAG funding.

DfE/ESFA capital grants - These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Capital Expansion Grant - This represents funding received from the ESFA for the direct expenditure on a project to improve and expand the school building.

Local Authority Grants - This represents funding from the Local Authority to cover fixed asset additions for the Academy.

Transfer between funds:

The transfer between the restricted fund and the restricted fixed asset fund represents the transfer of expenditure to the restricted fixed asset fund during the year.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	8,739,160	8,739,160
Current assets	-	303,129	-	303,129
Creditors due within one year	-	(373,807)	-	(373,807)
Pension scheme liability	-	(73,000)	-	(73,000)
	-	(143,678)	8,739,160	8,595,482

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	8,390,757	8,390,757
Current assets	75,149	561,755	407,572	1,044,476
Creditors due within one year	330	(557,735)	(396,040)	(953,445)
Creditors due in more than one year	-	(4,020)	-	(4,020)
Provisions for liabilities and charges	-	(38,000)	-	(38,000)
	75,479	(38,000)	8,402,289	8,439,768

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

	GROUP	
	2017	2016
	£	£
Net income for the year (as per Statement of Financial Activities)	143,714	2,768,593
Adjustment for:		
Depreciation charges	212,477	157,597
Interest and rents from investments	(734)	(549)
Decrease in debtors	709,607	816,324
Decrease in creditors	(181,587)	(788,089)
Capital grants from DfE and other capital income	(762,877)	(2,969,015)
Defined benefit pension scheme cost less contributions payable	47,000	13,000
Capital asset donated from Local Authority	(180,802)	-
Net cash used in operating activities	(13,202)	(2,139)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	GROUP	
	2017	2016
	£	£
Cash at bank and in hand	166,397	198,137
	166,397	198,137

25. 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 Worcestershire 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 £123,862 were payable to the schemes at 31 August 2017 (2016: £64,229) 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

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25. PENSION COMMITMENTS (continued)

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 £191,628 (2016: £172,188). (2016: £172,188).

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 £58,000 (2016: £43,000), of which employer's contributions totalled £43,000 (2016: £31,000) and employees' contributions totalled £15,000 (2016: £12,000). The agreed contribution rates for future years are 17.5% for employers and 5.5-12% 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.

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.20 %
Rate of increase in salaries	3.70 %	3.40 %
Rate of increase for pensions in payment / inflation	2.20 %	2.00 %
Inflation assumption (CPI)	2.20 %	1.90 %

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	22.6	22.6
Females	25.6	25.5
Retiring in 20 years		
Males	24.8	24.7
Females	27.9	27.8

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	99,000	38,000
Bonds	6,000	3,000
Corporate bonds	4,000	2,000
Total market value of assets	110,000	44,000

The actual return on scheme assets was £12,000 (2016: £4,000).

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

	2017 £	2016 £
Current service cost	(90,000)	(44,000)
Interest income	1,000	-
Interest cost	(1,000)	-
Total	(90,000)	(44,000)

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25. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening defined benefit obligation	84,000	-
Current service cost	90,000	44,000
Interest cost	15,000	12,000
Actuarial (gains)/losses	(3,000)	28,000
Closing defined benefit obligation	<u>186,000</u>	<u>84,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	34,000	-
Transferred out on existing academies leaving the trust	1,000	-
Actuarial gains	9,000	3,000
Employer contributions	43,000	31,000
Closing fair value of scheme assets	<u>87,000</u>	<u>34,000</u>

26. 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	7,616	6,924
Between 1 and 5 years	11,045	12,863
Total	<u>18,661</u>	<u>19,787</u>

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

ACADEMY TRUST		
AMOUNTS PAYABLE:		
Within 1 year	7,616	6,924
Between 1 and 5 years	11,045	12,863
Total	<u>18,661</u>	<u>19,787</u>

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27. RELATED PARTY TRANSACTIONS

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

The Academy purchased building services from Wrightfix, a company owned by a close family member of P Leek-Wright (a Trustee of the Academy), totalling £NIL (2016: £5,695) during the period. There were no amounts outstanding at 31 August 2017 (2016: £NIL). All transactions were on a non-profit making basis.

In entering into the transaction the trust has complied with the requirements of the ESFA's Academies Financial Handbook.

28. PRINCIPAL SUBSIDIARIES

Little Trinity Limited

Subsidiary name	Little Trinity Limited
Company registration number	09002854
Basis of control	Majority shareholder
Equity shareholding %	100%
Total assets as at 31 August 2017	£ 92,559
Total liabilities as at 31 August 2017	£ 92,559
Total equity as at 31 August 2017	£ -
Turnover for the year ended 31 August 2017	£ 367,894
Expenditure for the year ended 31 August 2017	£ (254,167)
Profit for the year ended 31 August 2017	£ 113,727

The registered address of the subsidiary is the same as the Parent Company's, which is noted on page 1 of the Financial Statements.

29. 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.

30. GENERAL INFORMATION

Holy Trinity School Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Birmingham Road, Kidderminster, Worcestershire, DY10 2BY.

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**NOTES TO THE FINANCIAL STATEMENTS
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31. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ended 31 August 2017 the Academy received £4,184 and disbursed £Nil from the fund. An amount of £5,364 was brought forward from the prior year, leaving an amount of £9,584 included within other creditors relating to undistributed funds that is repayable to ESFA.