

Company Registration Number: 08089704 (England and Wales)

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017



TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Reference and administrative details of the Academy Trust, its Trustees and advisers	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 20
Statement on regularity, propriety and compliance	21
Statement of Trustees' responsibilities	22
Independent auditors' report on the financial statements	23 - 25
Independent reporting accountant's assurance report on regularity	26 - 27
Statement of financial activities incorporating income and expenditure account	28
Balance sheet	29
Statement of cash flows	30
Notes to the financial statements	31 - 55

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members	Trust in Learning Limited Mr G Rice Mr L Probert (appointed 17 May 2017) Mrs V Fitzgerald (appointed 3 April 2017) Mr D Howarth (appointed 3 April 2017) Ms J Pierce (appointed 3 April 2017) Mr R G Opie (resigned 1 February 2017)
Trustees	Mr A Baber ¹ Mr M Davies ^{1,2} Ms C R Gardner (resigned 2 November 2016) Ms C J Jenkins Mr R G Opie (appointed 1 February 2017) Mr A M Osborn ^{1,3} Mr N J Peacey ¹ Mrs M E Peattie Mr L D Probert, Vice Chair (appointed 17 May 2017) ² Mr G J Rice, Chair ² Mrs H Salmon (appointed 12 October 2016) ² Ms J L Smith (appointed 26 September 2016) Mrs J A Turner (resigned 21 September 2016) Ms M Watson (resigned 28 February 2017) ¹ Finance and Operations Committee ² Quality Standards and School Improvement Committee ³ Audit Committee
Company registered number	08089704
Company name	Trust in Learning (Academies)
Principal and registered office	Trust House Teyfant Road Bristol BS13 0RG
Company secretary	Mrs C Anderson
Chief executive officer	Mr M Davies
Senior management team	M Davies, Chief Executive D Cannon, Director of Finance & Operations A Rutherford, Head Filton Avenue Primary School H Holman, Head Orchard School Bristol (resigned 31 August 2017) J Hinchliffe, Head Orchard School Bristol (appointed 1 September 2017) K Featherstone, Head Bridge Learning Campus (resigned 30 September 2017) J Barry, Head Parson Street Primary School
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Bankers	Lloyds Bank Commercial 3rd Floor Queen Square Wolverhampton WV1 1TF
Solicitors	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

**TRUST IN LEARNING (ACADEMIES)
(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 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 small multi academy trust consisting of 4 academies in the City of Bristol. Its academies have a combined pupil capacity of 3,660 and had a roll of 2,971 in the school census on 19 January 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust which incorporated on 30 May 2012, with its first academies (Filton Avenue Infants School and Orchard School) opening on 1 September 2012 and a third (Bridge Learning Campus) opening on 1 March 2013, is a company limited by guarantee and an exempt charity. On 1 September 2015 Filton Avenue Junior School merged with the Infants School to form Filton Avenue Primary School. On 1 September 2016, Parson Street Primary School, a single academy trust, joined the multi academy trust.

The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Trust in Learning (Academies) [TiL(A)] are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 ceased 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.

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

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

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

In accordance with the Articles of Association the sponsor (Trust in Learning Limited) can appoint up to eight Trustees. In addition up to five Chairs of Local Governing Bodies (LGBs) can be appointed alongside two Parent Directors.

In 2016-17 the Academy Trust's Board of Trustees comprised of:

- 6 Trustees who are appointed by the members
- 4 Chairs of Governors, one from each of the Local Governing Bodies
- 1 Parent Director

Trustees are appointed for a four year period. 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 Academy Trust's development.

The Trust has in place a skills audit for Trustees which is used as part of the recruitment process.

Policies and Procedures Adopted for the Induction and Training of Trustees

Any new Trustee is offered induction support from the Chair of the Trustees. The training and induction provided for new Trustees will depend upon their existing experience. Each year the Board review their own role and responsibilities in relation to being responsible for the objects of the Academy Trust and the structure that has been established.

The Board require each of the academies' LGBs to induct and provide internal and external training opportunities for all who serve on the LGB. In addition new LGB representatives are provided with an experienced buddy in their first year of service.

The Chief Executive Officer (and Trustee) also provides additional support and quality assurance of the LGBs effectiveness.

Organisational Structure

The LGB's are a committee of the main Board and the Board delegates responsibilities and duties to the LGBs in accordance with a scheme of delegation.

The Board itself meets once each term. The Board establishes an overall framework for the LGBs to work within and given that the Chair of each academy is a Trustee, this ensures that there are effective lines of communication between each academy and the Board. This is supported by the presence of Parent Trustees on the Board.

In order to ensure that the Board has proper oversight its of academies, it has established three committees – Finance & Operations; Audit Committee and Quality Standards & School Improvement.

The main Board has delegated responsibility to each LGB to elect their own Governors within a set framework and terms of reference decided upon by the Board.

The main Board receives reports including policies from its committees for ratification. It monitors the activities of its own committees through the minutes of their meetings in addition to receiving reports from each LGB.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

There are three committees as follows;

- Finance & Operations Committee – this meets at least four 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 internal auditor. It also oversees and agrees the annual budget proposed by each LGB including staffing levels.
- Audit Committee – This committee mainly consists of LGB finance governors from each of the schools so that it is independent of the main Board. The Chair, who is the only Trustee on the committee, provides the link back to the Board and reports on its findings. The committee usually meets three times per year ensuring compliance with regulations and liaises closely with the auditors. It also receives reports and directs the Internal Auditor.
- Quality Standards and School Improvement Committee – this meets five times per year and is responsible for monitoring, evaluating and reviewing academy improvement practices, progress against outcomes and overall performance, including leadership.

In addition each LGB are expected to establish the following panels/committees:

- Admissions/Exclusions;
- Personnel (to include pay; grievance etc.);
- Staff Discipline/Dismissal; and
- Health and Safety Committee (coordinating with the wider TiL(A) H & S forum).

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 Headteachers and Clerk to the Trustees, to approve the Annual Development Plan and budget of TiL(A).

The Trustees are responsible for setting general policy and vision for the chain of academies, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies within the Trust, by the use of budgets and other data, and making major decisions about the direction of the Academy Trust and significant capital expenditure. Staff appointments, apart from the Headteacher are the responsibility of each LGB and Senior Leaders.

The Trustees and Board of Trustees have devolved responsibility for the leadership and the day to day management of each academy to the LGB and to the Headteacher and senior team of that academy.

TiL(A) has a full time Chief Executive Officer who oversees and leads the multi academy chain and he is supported by a Finance & Operations Director. One of the key aims of the Chief Executive Officer is to ensure leadership within each academy is secure, that there is an ethos of devolved or distributed leadership and where the LGB and Headteachers have autonomy within the TiL(A) framework and they are accountable for their actions, decisions and outcomes.

The Finance & Operations Director for TiL(A) has overall responsibility for all matters relating to Finance and works closely with the individual academy Business Managers. Policies and procedures on spending control and authorisation levels in each academy are the Director's responsibility.

The Academy Trust comprises one secondary academy – Orchard School Bristol, one all through 3-16 academy – Bridge Learning Campus and two primary academies – Filton Avenue Primary School and Parson Street Primary School. Each academy has its own LGB responsible for day to day operations and management of the school's budget. The Trust Board includes the Chair of each LGB.

The Chief Executive of TiL(A) is the Accounting Officer.

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Director and Chief Executive Officer pay is established using industry benchmarks, engaged recruitment specialists and scrutiny of the Board and Finance Committee. For teaching staff, pay uplift is linked to the nationally agreed cost of living pay-uplift. Pay grade advancement for the CEO is based on competency and key performance outcomes established by the Board and evaluated annually. For Directors pay grade advancement is evaluated by the CEO and approved by the Trust Board. Headteachers pay is determined using the parameters set out in the School Teachers Pay and Conditions Document. The salary is based upon the leadership group pay spine and agreed by the relevant governing body.

Connected Organisations, including Related Party Relationships

Orchard School and Filton Avenue Primary School have established strong and sustainable links through the One Voice Partnership in North Bristol. The Partnership aims to promote learning among the whole community by engaging families in exciting and inspiring events.

The Chief Executive Officer of the Trust is an invited member of the Excellence in Schools Group of Bristol City Council and the South West Multi Academy Trust CEO's forum which provides the Trust with an external profile. The Director of Finance is a member of the South West Multi Academy Trust Finance group and the Director of Human Resources is a member of the equivalent HR group. These connections help to ensure that the trust has access to a wide network of contacts which helps the sharing of knowledge and expertise.

OBJECTIVES AND ACTIVITIES

Objects and Aims

There are two principal objects of TiL(A):

- a. To provide free education for pupils of different abilities between the ages of 3 and 16
- b. To advance for the public benefit improving and successful academy communities by establishing them, maintaining them, managing and developing them and ensuring that these academy communities experience provision that is broad and balanced.

These objects relate to Bridge Learning Campus; Orchard School Bristol, Parson Street Primary School and Filton Avenue Primary School and are the principal activities of the Charitable Company and its operation.

The aims of the four academies during the year ending 31 August 2017 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils;
- to provide a broad and balanced curriculum, including extra-curricular activities;
- to develop students as more effective learners so that they can realise their potential;
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of each academy by keeping the curriculum, organisational structure and the quality of teaching under continual review;
- to ensure our pupils at the end of Year 1 do well in the national phonics test compared to national averages;
- for primary provision to maximise the number of students achieving age expected outcomes or better at the end of Key Stage 1 and Key Stage 2;
- for secondary provision to maximise the number of students who achieve 9-4 GCSE grades in English and Maths and in EBacc subject areas;
- to ensure that our academies and children benefit from extended and sustainable links with universities and business in order to raise awareness and expectations;
- to provide value for money for the funds expended;
- to develop greater coherence, clarity and effectiveness in academy systems and between academies within TiL(A);
- to comply with all appropriate statutory and curriculum requirements;
- to develop each academy's capacity to manage change; and
- to conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

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

The vision for TiL(A) is to improve the quality of schooling in our academies for children and young people by promoting communities that trust in learning and the endeavour of education to transform lives. We support and challenge this improvement through fostering the autonomy and empowerment of effective leadership and governance.

Within TiL(A) we aim to get 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. Each of our academies is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Each of the academies within the Academy Trust has their own Development or Improvement Plan which prioritises actions and resources to secure key objectives for that year or period. The following provides brief overview of each academy for 2016-17:

a. Filton Avenue Primary School

TiL(A) has been responsible for the merged Infant and Junior schools for two years and in that time the school has transformed the way the new merged school operates. There is a new leadership team which is now embedded and the impact of these changes is being witnessed in pupil outcomes which are improving. Key priorities for the coming year include:

- Ensure that expectations are high for all pupils;
- To continue to rapidly improve outcomes in Reading, Writing and Maths at KS2;
- Reduce gaps in outcomes at all key stages for disadvantaged pupils;
- Targeting disadvantaged pupils who are able to ensure that they achieve at the higher standard;
- Working alongside other TiL(A) schools to review teaching practice and support for pupils identified as having special needs;
- Improving intervention work for children where English is an additional language – particular emphasis upon quality assessment;
- Ensuring that the new maths scheme being rolled out across the school is embedded effectively so that outcomes in maths can improve quickly.

Filton Avenue is graded by Ofsted as providing outstanding provision.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

b. Orchard School Bristol

Results for the school in 2017 were lower than expected and halted the progress in outcomes previously witnessed from 2014. The GCSE progress measure for 2017 will place Orchard School close to the Department of Education floor target. A new Headteacher has started in September 2017 and she will be fully supported by the CEO and other members of the central team in order to address the challenges from 2017.

Key areas for the coming year will focus upon:

- A complete revision in the use of data to improve outcomes and raise expectations – to link directly into the Trust's Improvement Plan;
- Ensure that outcomes at GCSE improve quickly in all core subjects;
- Ensure that the in-school variation between subjects is overcome;
- A clear focus upon the reduction in gaps for disadvantaged and SEND students;
- The school is well prepared for an Ofsted Inspection;
- Embedding the new SOL attendance programme in order to improve rates of attendance to be above national average;
- Ensuring the new Headteacher and her leadership team are supported and developed
- Ensuring that improvement in teaching and learning is directly linked to impact and ensuring levels of accountability are clear.

c. Bridge Learning Campus

Bridge Learning Campus is experiencing a decline in outcomes that is being addressed as quickly as possible. Whilst EYFS and KS1 are still very positive outcomes at Key Stage 2 and GCSE are low and variable across the board and overall they are poor. The 2017 outcomes at KS2 and KS4 will keep the school in a coasting category and under the floor at GCSE.

Key areas for the coming year will focus upon:

- Improving the quality of leadership at the senior level;
- Raising expectations amongst staff;
- A complete revision in the use of data to improve outcomes and raise expectations – to link directly into the Trust's Improvement Plan;
- Ensuring successful practice in Early Years and Key Stage 1 is transferred into older year groups;
- Ensuring leaders understand impact: demonstrating a clear link between actions and impact;
- A revision of the Year 5 and 6 curriculum to ensure an increased percentage of time on core skills;
- Ensure that the in-school variation between subjects is overcome;
- A clear focus upon the reduction in gaps for disadvantaged and SEND students;
- Ensure that the school has in place practices that improve the attainment of talented (higher ability) groups.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

d. Parson Street Primary School

Parson Street joined us in September 2016, previously being a single academy trust with a new Headteacher. The Headteacher has overseen significant change to culture within the school and shifting minds and expectations. The central team and others are working closely with him to bring about change and quickly. EYFS and Key Stage 1 was a concern with outcomes not supporting later demands resulting in significant catch up. Work in 2016/17 has resulted in significant improvement for KS1 outcomes and changes to leadership and teaching in EYFS, although outcomes at Key Stage 2 were disappointing.

Key areas for the coming year will focus upon:

- Strengthening the quality of core skills teaching across the school;
- Developing consistency, accuracy and comparability of assessment through rigorous moderation;
- Improve EYFS outcomes by building more rigour into the curriculum;
- Embedding key curriculum changes in Maths and in topic related work – ensuring continuity across the curriculum;
- Improving outcomes at Key Stage 2 quickly;
- Ensuring that the leadership of teaching and learning activity is targeted at need and has impact;
- Continuing to raise the level of expectation in line with TiL(A)'s target setting policy.

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 Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

An example of how the Academy Trust is benefiting the public, and our communities, is the continued strength across our schools in Early Years teaching and in outcomes at the end of Key Stage 1.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

STRATEGIC REPORT

Achievements and Performance

Early Years and Key Stage 1:

Filton Avenue Primary School (FAPS), Bridge Learning Campus (BLC) and Parson Street Primary School (PSPS) continue to strengthen provision, attainment and progress in EYSF and KS1.

The table below provides the key data for Early Years and Key Stage 1 for 2017:

Good Learning Development in Speaking, Reading, Writing and Number.

	ELG Average: Meeting (or Above)				Targets: Exceeding			
	Speaking	Reading	Writing	Number	Speaking	Reading	Writing	Number
BLC	80%	69%	69%	75%	17%	18%	13%	14%
FAPS	77%	66%	66%	68%	13%	10%	0%	4%
PSPS	68%	37%	57%	47%	8%	28%	2%	20%

Pupils achieving a Good Learning Development (2+ across the first 12 areas):

BLC: 69%
 FAPS: 65%
 PSPS: 55%
 Nat: 69% (2016)

Progress: BLC and FAPS shows good progress in all key areas given very low starting points; PSPS has had good outcomes from one class and poor outcomes from the second class – an area which is being strengthened in the coming year.

Phonics Testing: BLC continued their strong performance in this area achieving an outcome above the national average; whilst FAPS improved their test score for the second year in succession and now close to the national average:

BLC: 82%
 FAP: 85%
 PSPS: 75%
 Nat: 81%

Key Stage 1:

	Meeting (or above)			Exceeding		
	Reading	Writing	Maths	Reading	Writing	Maths
BLC	81%	75%	80%	23%	23%	22%
FAPS	42%	54%	39%	32%	18%	31%
PSPS	44%	53%	56%	19%	9%	14%
National	76%	68%	75%	25%	16%	21%

The above represents a consolidation of the quality and standards that we have witnessed at BLC over recent years whilst at FAPS overall results were slightly less than expected and PSPS improved rapidly over the previous year.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

Key Stage 2:

KS2 SATs	BLC	FAPS	PSPS	National
Progress Measures KS1 to KS2				
Reading	(2.6)	(1.3)	(3.4)	(5.0)
Writing	(2.8)	(2.1)	(3.8)	(7.0)
Maths	(4.0)	(2.8)	(3.1)	(5.0)
Combined RWM at expected level				
	34%	39%	36%	53%

Looking across our three provisions outcomes are mixed. We are seeing rapid improvement at KS2 in FAPS but plateauing at a low level at BLC and PSPS. The latter has made some significant changes in 2016/17 which will be positive and BLC have revised their Year 5/6 structure and provision. Key areas: (1) ensuring level of expectation across the schools is the same (high); (2) increased use of comparative judgement work to validate assessments; (3) increasing numbers working at greater depth including disadvantage pupils; (4) revised (rigorous) assessment and validation procedures in place.

Key Stage 4:

2017 marked the start of new accountability measures being introduced at age 16 for GCSE's KS 4. Whilst it was widely expected that these would result in a dropping of standards nationally, outcomes were much lower than expected at Orchard School and at Bridge Learning Campus. Whilst some areas/subjects did improve upon the 2016 results, there was a wide variation of outcomes between subject areas in both schools.

- % 9 - 5 in English and Maths: BLC: 23%; OSB: 27.3%
- % 9 - 4 in English and Maths: BLC: 35%; OSB: 44.4%

	Attainment 8	Progress 8	% 9-5 EM	% EBACC
Orchard School Bristol				
Estimated	43.0	(0.45)	N/A	18.0%
Outcome	36.72	(0.53)	27.3%	12.1%
Bridge Learning Campus				
Estimated	42.16	(0.95)	N/A	2.0%
Outcome	32.86	(0.87)	23.0%	1.1%

Outcomes across the trust are very mixed in 2017 and requires a concerted and planned effort to raise outcomes quickly. Our new Trust Improvement Plan is designed to do just that and includes specific work in each school as well as centrally delivered work across all schools within the trust.

Key Performance Indicators

The following KPIs were set at the start of the year:

Budgets are set for each nominal code both for income and expenditure. The actual income and expenditure is checked against these budgets each week and a report produced showing the variances and the total position against budget. The weekly management accounts also include the cash position for each account and a weekly bank reconciliation is completed. Forecast to the year end are completed bi-monthly.

Actual salaries paid are monitored monthly on an individual basis and compared to the monthly budget.

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 Going concern policy.

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

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

FINANCIAL REVIEW

Financial Review

Most of the Academy Trust'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.

The Academy Trust also receives grants for fixed assets from the DfE and 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 Academy Trust's accounting policies.

During the year ended 31 August 2017, total expenditure of £18,435,647 (2016: £17,191,086) was covered by recurrent grant funding from the DfE, together with other incoming resources, of £17,001,107 (2016: £16,337,458). The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £1,434,540 (2016: £853,628).

At 31 August 2017 the net book value of fixed assets was £8,702,667 (2016: £5,859,454) and movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteachers, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

All of the Trust's schools have suffered from reductions in income over the last few years such as cuts to specific income headings such as in relation to SEN funding (Special Needs) as well as rising expenditure especially around staffing costs. These factors have resulted in the need to review our staffing structure and ways to work more efficiently and hence the need to manage change and restructure staffing in all of our schools. This process has been completed in consultation with key stakeholders and representatives. The result is that all of our schools are in a position to be able to move towards in-year balanced budgets within the next two years.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

Reserves Policy

The Trustees review the reserve levels of the Academy Trust 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 Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be not be less than 5% of our total yearly funding. The reason for this is to provide sufficient working capital to cover spending and receipt of grants, increases in pupil numbers where funding lags behind costs, to provide a cushion to deal with unexpected emergencies and to help individual academies with short term funding issues. The Academy Trust's current level of reserves (total funds less the amount held in fixed assets) is £1,674,173, which includes £389,234 of GAG reserves.

The Trust is maintaining a level of surplus which will enable us to tackle a period of financial uncertainty in the education system over the period of this parliament. There are indications that secondary numbers in our academies will rise over this period but before they will make a positive financial benefit there will be a need to support our academies via the surplus in order for our objectives as a charity to be met. In addition, the Trust is actively pursuing growth as a Multi Academy Trust and is ensuring it has the extra financial capacity to support this growth.

The Trustees have reviewed the future plans of the Academy Trust and have not set any designated reserves.

Investment Policy

Due to the nature of funding, the Academy Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

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 Chief Executive and Finance & Operations Director within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 99% of the Academy Trust's incoming resources was 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.

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

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

Safeguarding and child protection - the Trustees continue to 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 Academy Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

Fraud and mismanagement of funds - the Academy Trust has appointed an internal auditor to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated on a regular basis.

PLANS FOR FUTURE PERIODS

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

The Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

At the end of 2016/17 Filton Avenue Primary School had a successful appeal over its rejected CIF Bid and subsequently was awarded £653,000 towards the building of a new dining hall. A contractor has been appointed and the building work is now underway and expected to be completed by the end of the year.

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.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Equality

The Directors understand their legal and moral obligations with regard to equality of opportunity for its students and staff. It aims to provide an environment where both staff and students can thrive and contributions and needs of all are valued.

Disabled Persons

It is the policy of TiL(A) to support the recruitment and retention of staff and students with disabilities. It does this by ensuring that the physical environment is adapted to accommodate a range of needs including specific adaptations for individuals. It ensures that there is a linked suite of policies ensuring access to support and interventions when and if a person becomes disabled during employment, including recruitment and retention, managing absence and equality policies. In addition it ensures that access to training and career development is fair and open.

Employee Communication

TiL(A) views employee engagement and communication as vital to its success. TiL(A) consults with staff representatives formally twice a year and has extra consultative arrangements for specific issues. Staff are consulted on policies affecting their terms and conditions informally through the leads in each school prior to the issues being taken for formal consultation with Trade Unions. Staff are individually informed of changes to policy and training put in place to ensure consistent and accurate implementation.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy Trust has agreed a Risk Management Strategy, updated the Risk Register to a better format and has a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy Trust. The register and plan are constantly reviewed in light of any new information and formally reviewed annually. The risk register format is also used by the LGBs.

The Trustees have assessed the major risks to which the Academy Trust 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 Academy Trust is only over-subscribed for primary places, risks to revenue funding from a falling roll are small. The freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognise that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are 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, on6/12/17..... and signed on the board's behalf by:



Mr G Rice
Chair of Trustees

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Trust in Learning (Academies) 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 Chief Executive officer, 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 Trust in Learning (Academies) 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 6 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
Mr A Baber	5	6
Mr M Davies	6	6
Ms C R Gardner	1	1
Ms C J Jenkins	6	6
Mr R G Opie	4	4
Mr A M Osborn	4	6
Mr N J Peacey	5	6
Mrs M E Peattie	5	6
Mr L D Probert, Vice Chair	1	2
Mr G J Rice, Chair	6	6
Mrs H Salmon	2	6
Ms J L Smith	6	6
Mrs J A Turner	0	0
Ms M Watson	3	3

Governance reviews:

The Board of Trustees of TiL(A) carry out an annual review of their effectiveness as a Board in maintaining strong governance of the chain and in their support of key staff and the LGBs within the trust.

The annual review considered; the Nolan principles which should underpin the behaviour of individuals in relation to their work with the trust; and self evaluation against the following headings:

- Setting Strategy;
- Providing Scrutiny;
- Administering Stewardship
- Providing Support' and
- Stretch to the Executive.

The Board will further review its practice in the autumn and Spring terms (2017-18).

The Finance & Operations Committee is a sub-committee of the main Board of Trustees. Its purpose is to Its purpose is to:

- Make recommendations to the Board on financial and operational strategies;
- Consider the Academy Trust's funding and to assess its implications in advance of the financial year;
- Consider the Academy Trust's budget and operational development plan including central costs; and
- To receive the audit reports in conjunction with the Audit Committee.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (continued)

The Finance & Operations Committee is strengthened by the appointment of a chartered accountant, A Everitt, who is a management accountant at a Member organisation. The Committee has adopted an improved reporting spreadsheet, met with the auditors to discuss the detailed procedures and addressed the minor issues in the internal audit reports. It has also reviewed a three year plan and recommended to the Board the need to develop capacity for future growth.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Mr A Baber	4	4
Mr M Davies	4	4
Mr A M Osborn	1	1
Mr N J Peacey	3	4
Mr A Everitt	3	4

The Audit Committee purpose is to seek to promote a climate of financial discipline and control to help ensure the highest standards of probity and efficiency; consider all matters of financial internal control and advise the finance committee on the adequacy and effectiveness of these controls; and investigate any activity that it deems relevant.

The Committee has reviewed the detailed Finance Manual which details the procedures and controls in place.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Mr A M Osborn	1	2
Mr R Wellman	3	3
Mr N Fayers	3	3
Mrs A Marshall	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive officer 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:

- Ensuring that we utilise all the money we receive to achieve the best possible educational outcomes.
- Decisions over the curriculum, staffing and the quality of delivery are the building blocks for ensuring positive outcomes and value for money. The Trust holds each LGB to account for these responsibilities and has effective systems in place for reporting and monitoring the effectiveness of their work.
- Collectively we focus upon costs and value for money and can effectively compare income, expenditure and cost effectiveness across the different institutions.
- Two of the four academies are run under a PFI agreement. We ensure that we receive value for money from the contract by regular operational and strategy meetings with senior managers. We have systems in place to ensure that we do not incur any additional charges due to damage and these have proved successful. There are a negligible number of vandalism incidents and besides saving money improves the working environment for students and staff.
- There is a strong and robust budget approval system in place starting locally with each LGB. Using identical models a detailed staffing plan to deliver the curriculum is assessed, then other costs are added comparing past trends but also considering the academies' development or improvement plan requirements.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (continued)

- Expenditure is monitored very closely and at the end of each month a comparison is made between actual expenditure and budgeted expenditure on a line by line basis.
- Staffing costs are monitored monthly and the cost of each person is compared to the monthly budget profile and any variances are investigated.

As the Accounting Officer I am acutely aware of the use of resources to engage disadvantaged pupils and students. Each of our academies serves communities which have high levels of social deprivation therefore we receive significant amounts of Pupil Premium funds. Targeted interventions are in place in all academies and these are extensive and the effectiveness evaluated. Staffing levels have increased to further support the attainment and progress of disadvantaged groups as well as being targeted at those more able pupils and students.

We introduced more effective tracking systems across the trust to ensure that we can hold each academy more effectively to account for outcomes in a fair and impartial manner. The information was then shared with teaching staff to guide their practice and raise expectations.

There is a strong emphasis upon raising levels of Literacy/English and Numeracy/Maths and by improving links and introducing collaborative structures across the group we are able to share or transfer best practice. The emergence of annual joint in service days also provides further opportunities to learn from each other and to develop consistent practices and economies of scale in a range of school functions – from quality of teaching to the quality of administrative support.

A significant amount of training is conducted in house reducing the cost of training. Teachers and support staff have paired up with academies within the MAT spending days to understand successful techniques to employ in their own academy. Collaboration with other schools and partner academies within the chain to share best practice has improved Teaching and Learning. One academy belongs to the Cabot Teaching School Alliance and provides outreach work via specialist leaders in education. External agencies are also used for specially targeted students. It is however, important for the Academy Trust institutions to look for outstanding practice more widely and this has been a feature of some of the in service provision with staff visiting schools nationally as well as locally.

In terms of procurement we have a culture that challenges every purchase to see if it is really necessary. Once a decision is made the best possible price will be sought using price comparison sites, supplier knowledge, bulk purchases discounts and group purchasing. Purchases with a service element will be evaluated alongside the price to obtain the best value. Benchmarking is used to evaluate the distribution of costs and to ensure that funds are spent to the best possible advantage.

It is important that we regularly check that our systems and procedures are fit for purpose. To facilitate this process we have appointed S Bangham as the internal auditor. He completes detailed regular checks at each academy and also the central support function. He provides me with detailed reports on his findings and any shortcomings are rectified immediately. The internal auditor will attend the Finance or Audit committees when requested and these committees can specify additional checks. The financial systems are consistent over all the academies using the same accounting package and chart of accounts. A detailed Finance Manual is available in each of the academies within the group. This spells out the rules on purchasing and the expenditure levels when quotations and tendering are required. Detailed specifications are produced for tenders and I am personally involved in the process.

The use of IT in the classrooms has proved to be beneficial and additional funds were allocated to extend the resources in this area.

As the Accounting Officer for Trust in Learning (Academies), I am assured that the chain and its key senior leaders, as well as the Board, are providing good value for money and that there is no complacency in this endeavour as we move forward into our sixth year of operation.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Trust in Learning (Academies) for the year 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.

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 & Operations 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 to appoint S Bangham as internal auditor.

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

- Purchasing invoices, approval and administration
- Control account reconciliations
- Credit card processing
- Payroll procedures
- Cash handling procedures
- Review of capital projects
- Fixed asset and depreciation schedules
- IT system back up procedures

On a termly basis, the internal auditor reports 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.

No significant issues were found and where systems differed slightly in some schools they have been brought into line so the systems are standardised throughout the Academy Trust.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (continued)


REVIEW OF EFFECTIVENESS

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


- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Operations Committee 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 6/12/17 and signed on their behalf, by:



Mr G Rice
Chair of Trustees



Mr M Davies
Accounting Officer

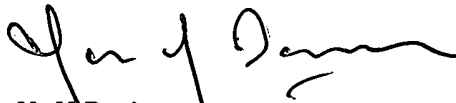
TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Trust in Learning (Academies) 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.



Mr M Davies
Accounting Officer

Date: 6/12/17

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the 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 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:

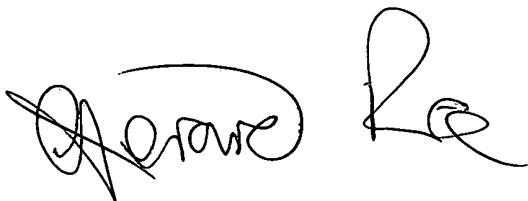
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 Company will continue in business.

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

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

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

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

A handwritten signature in black ink, appearing to read 'G Rice', is written over a horizontal line.

Mr G Rice
Chair of Trustees

Date: 6/12/17

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRUST
IN LEARNING (ACADEMIES)**

OPINION

We have audited the financial statements of Trust in Learning (Academies) for the year ended 31 August 2017 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 Academy Trust's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 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 Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The 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.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRUST IN LEARNING (ACADEMIES)

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 Strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 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 Academy Trust's or to cease operations, or have no realistic alternative but to do so.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRUST
IN LEARNING (ACADEMIES)**

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.



Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

12/12/17

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TRUST IN LEARNING (ACADEMIES) AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 27 August 2013 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 Trust in Learning (Academies) 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 Trust in Learning (Academies) and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Trust in Learning (Academies) 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 Trust in Learning (Academies) and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUST IN LEARNING (ACADEMIES)'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Trust in Learning (Academies)'s funding agreement with the Secretary of State for Education dated 31 August 2012, 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 Trust 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.

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TRUST IN
LEARNING (ACADEMIES) 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.



Joseph Scaife FCA DChA (Reporting Accountant)

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

Date: 12/12/17

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations & capital grants:						
Donation on transfer/conversion	2	421,195	(975,000)	2,827,916	2,274,111	2,834,082
Other donations and capital grants	2	25,940	74,312	-	100,252	99,645
Charitable activities	3	507,198	16,774,213	-	17,281,411	16,175,630
Other trading activities	4	171,058	-	-	171,058	90,389
Investments	5	2,191	-	-	2,191	7,618
TOTAL INCOME		1,127,582	15,873,525	2,827,916	19,829,023	19,207,364
EXPENDITURE ON:						
Raising funds		-	-	-	-	18,174
Charitable activities		1,032,793	17,402,854	324,034	18,759,681	17,387,191
TOTAL EXPENDITURE	6	1,032,793	17,402,854	324,034	18,759,681	17,405,365
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		94,789	(1,529,329)	2,503,882	1,069,342	1,801,999
Transfers between Funds	19	-	(304,980)	304,980	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		94,789	(1,834,309)	2,808,862	1,069,342	1,801,999
Actuarial gains/(losses) on defined benefit pension schemes	24	-	1,128,000	-	1,128,000	(2,911,000)
NET MOVEMENT IN FUNDS		94,789	(706,309)	2,808,862	2,197,342	(1,109,001)
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,175,150	(6,244,457)	5,893,805	824,498	1,933,499
TOTAL FUNDS CARRIED FORWARD		1,269,939	(6,950,766)	8,702,667	3,021,840	824,498

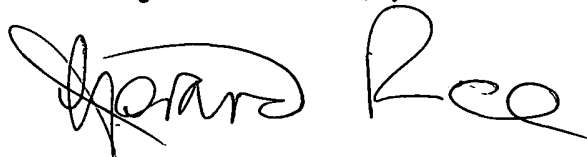
The notes on pages 31 to 55 form part of these financial statements.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08089704

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	14		8,702,667		5,859,454
CURRENT ASSETS					
Stocks	15	9,335		12,110	
Debtors	16	544,508		386,136	
Cash at bank and in hand		2,684,459		2,730,108	
		<u>3,238,302</u>		<u>3,128,354</u>	
CREDITORS: amounts falling due within one year	17	(1,564,129)		(1,350,310)	
NET CURRENT ASSETS			<u>1,674,173</u>		<u>1,778,044</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,376,840</u>		<u>7,637,498</u>
Defined benefit pension scheme liability	24		(7,355,000)		(6,813,000)
NET ASSETS			<u><u>3,021,840</u></u>		<u><u>824,498</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	19	404,234		568,543	
Fixed asset funds	19	8,702,667		5,893,805	
		<u>9,106,901</u>		<u>6,462,348</u>	
Restricted funds excluding pension liability				6,462,348	
Pension reserve		<u>(7,355,000)</u>		<u>(6,813,000)</u>	
Total restricted funds			<u>1,751,901</u>		<u>(350,652)</u>
Unrestricted funds	19		<u>1,269,939</u>		<u>1,175,150</u>
TOTAL FUNDS			<u><u>3,021,840</u></u>		<u><u>824,498</u></u>

The financial statements on pages 28 to 55 were approved by the Trustees, and authorised for issue, on 6/12/17 and are signed on their behalf, by:



Mr G Rice
Chair of Trustees

The notes on pages 31 to 55 form part of these financial statements.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	21	<u>(305,075)</u>	<u>(355,032)</u>
Cash flows from investing activities:			
Interest received		2,191	7,618
Purchase of tangible fixed assets		(339,327)	(421,885)
Capital grants		54,034	49,399
		<u>(283,102)</u>	<u>(364,868)</u>
Cash transferred on conversion to an Academy Trust:			
Cash on transfer/conversion		542,528	250,740
		<u>542,528</u>	<u>250,740</u>
Change in cash and cash equivalents in the year		(45,649)	(469,160)
Cash and cash equivalents brought forward	22	<u>2,730,108</u>	<u>3,199,268</u>
Cash and cash equivalents carried forward	22	<u>2,684,459</u>	<u>2,730,108</u>

The notes on pages 31 to 55 form part of these financial statements.

TRUST IN LEARNING (ACADEMIES)
(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.

Trust in Learning (Academies) constitutes a public benefit entity as defined by FRS 102.

1.2 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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 Education and Skills Funding Agency.

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

1.3 INCOME

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

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

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

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

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

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by the Academy 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 appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 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 and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the 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 property	-	straight line over the shorter of 50 years or remaining life of the lease
Long term leasehold land	-	straight line over 125 years
Motor vehicles	-	straight line over 5 years
Office equipment	-	straight line over 5-10 years
Computer equipment	-	straight line over 3 years

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

On transfer the long term leasehold property was recognised as a donation and was valued using the depreciated replacement cost method.

1.7 OPERATING LEASES

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

Rentals payable under PFI arrangements are also charged to the Statement of financial activities on a straight line basis.

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 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.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

The Academy 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. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. 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.

**TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.13 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.

1.14 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 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.15 CONVERSION/TRANSFER TO AN ACADEMY TRUST

The transfer from an Academy Trust to TiL(A) involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on transfer from Parson Street Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in donations in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 23.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Transfer on conversion	421,195	(975,000)	2,827,916	2,274,111	2,834,082
Donations	25,940	20,278	-	46,218	44,452
Capital grants	-	54,034	-	54,034	55,193
Other donations and capital grants	25,940	74,312	-	100,252	99,645
	447,135	(900,688)	2,827,916	2,374,363	2,933,727
Total 2016	278,098	(214,277)	2,869,906	2,933,727	

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	14,373,669	14,373,669	13,545,543
Start up Grants	-	11,330	11,330	63,337
Other DfE/ESFA grants	-	2,043,481	2,043,481	1,801,758
	-	16,428,480	16,428,480	15,410,638
Other Government grants				
High Needs	-	200,007	200,007	346,568
Other Government grants: non capital	-	145,726	145,726	103,454
	-	345,733	345,733	450,022
Other funding				
Income for hosting trainee teachers	18,515	-	18,515	7,091
Sales to students	25,400	-	25,400	22,169
Educational visits and other income	129,760	-	129,760	93,324
Nursery income funded	333,523	-	333,523	192,386
	507,198	-	507,198	314,970
	507,198	16,774,213	17,281,411	16,175,630
<i>Total 2016</i>	314,970	15,860,660	16,175,630	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	40,273	-	40,273	23,958
Fees received	130,785	-	130,785	66,431
	171,058	-	171,058	90,389
<i>Total 2016</i>	90,389	-	90,389	

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	2,191	-	2,191	7,618
<i>Total 2016</i>	7,618	-	7,618	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising funds	-	-	-	-	18,174
Education:					
Direct costs	11,724,430	324,034	2,606,013	14,654,477	13,857,049
Support costs	2,242,471	1,535,924	326,809	4,105,204	3,530,142
	13,966,901	1,859,958	2,932,822	18,759,681	17,405,365
<i>Total 2016</i>	11,643,204	3,037,471	2,724,690	17,405,365	

7. DIRECT COSTS

	Total 2017 £	Total 2016 £
Pension finance costs	116,000	81,032
Educational supplies	1,179,189	1,047,872
Examination fees	102,622	118,961
Staff development	98,841	84,657
Educational visits and other costs	55,685	57,433
PFI costs	1,451,840	2,673,626
Technology costs	17,391	25,496
Wages and salaries	8,675,133	7,617,857
National insurance	827,562	632,847
Pension cost	1,806,180	1,302,989
Depreciation	324,034	214,279
	14,654,477	13,857,049
<i>Total 2016</i>	13,857,049	

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

8. SUPPORT COSTS

	Total 2017 £	Total 2016 £
Pension finance costs	65,000	64,968
Marketing and other costs	101,518	83,816
Recruitment and support	66,248	104,777
Maintenance of premises and equipment	154,146	105,257
Cleaning	83,939	42,951
Rent and rates	150,944	138,006
Energy costs	63,386	43,522
Insurance	72,746	63,411
Security and transport	4,931	-
Catering	287,277	161,732
Technology costs	151,006	138,939
Office overheads	129,436	121,142
Professional fees	394,173	545,410
Bank interest and charges	353	427
Governance costs	21,630	40,641
Wages and salaries	1,801,017	1,469,412
National insurance	139,326	102,350
Pension cost	418,128	303,381
	<u>4,105,204</u>	<u>3,530,142</u>
<i>Total 2016</i>	<u>3,530,142</u>	

9. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	324,033	214,279
Auditors' remuneration - audit current year	15,000	13,900
Auditors' remuneration - other services	2,450	6,150
Internal audit costs	6,765	6,765
Operating lease rentals	<u>711,620</u>	<u>672,732</u>

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	10,318,004	9,073,885
Social security costs	966,888	735,197
Operating costs of defined benefit pension schemes	2,224,308	1,606,370
	<u>13,509,200</u>	<u>11,415,452</u>
Supply teacher costs	299,555	214,368
Restructuring costs	146,191	13,384
Apprenticeship levy	11,955	-
	<u>13,966,901</u>	<u>11,643,204</u>

Included in staff restructuring costs is a non-contractual severance payment totalling £5,000 (2016: £Nil) and contractual redundancy payments of £141,191 (2016: £13,384).

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

	2017 No.	2016 No.
Teachers	189	164
Teaching support	167	136
Administration	91	76
Management	7	5
	<u>454</u>	<u>381</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teachers	176	163
Teaching support	111	88
Administration	59	57
Management	7	5
	<u>353</u>	<u>313</u>

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

10. STAFF COSTS (continued)

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	6	5
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	0
In the band £120,001 - £130,000	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 £517,022 (2016: £496,343).

11. CENTRAL SERVICES

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

- human resources;
- financial services;
- educational support services; and
- others as arising.

The Academy Trust charges for these services on the following basis:

Flat 3.6% (2016: 3.6%) of total ESFA recurrent funding.

The actual amounts charged during the year were as follows:

	2017 £	2016 £
Filton Avenue Primary School	127,384	126,127
Orchard School Bristol	177,531	165,023
Bridge Learning Campus	209,512	211,925
Parson Street Primary School	69,022	-
Total	583,449	503,075

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

12. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust, other than expenses, in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: M Davies: Remuneration £120,000 - £125,000 (2016: £120,000 - £125,000), Employer's pension contributions £20,000 - £25,000 (2016: £20,000 - £25,000).

Other related party transactions involving the trustees are set out in note 28.

During the year retirement benefits were accruing to 1 Trustee (2016: 1) in respect of defined benefit pension schemes.

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).

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. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

14. TANGIBLE FIXED ASSETS

	Long term leasehold land and buildings £	Motor vehicles £	Office equipment £	Computer equipment £	Assets under construction £	Total £
COST						
At 1 September 2016	5,811,638	12,414	196,342	416,729	-	6,437,123
Additions	77,726	-	28,920	142,150	90,531	339,327
Transfer from SAT	2,895,615	-	88,218	75,800	34,907	3,094,540
Transfer between classes	89,589	-	-	-	(89,589)	-
At 31 August 2017	8,874,568	12,414	313,480	634,679	35,849	9,870,990
DEPRECIATION						
At 1 September 2016	201,943	12,414	68,674	294,638	-	577,669
Charge for the year	149,782	-	61,116	113,135	-	324,033
Transfers from SAT	186,355	-	34,350	45,916	-	266,621
At 31 August 2017	538,080	12,414	164,140	453,689	-	1,168,323
NET BOOK VALUE						
At 31 August 2017	8,336,488	-	149,340	180,990	35,849	8,702,667
At 31 August 2016	5,609,695	-	127,668	122,091	-	5,859,454

Bridge Learning Campus and Orchard School (including Filton Avenue Primary at the Orchard School site) are under PFI agreements which means that access to Land and Buildings at these locations is restricted. TiL(A) own the freehold land situated at these schools, however due to the restricted access they are not considered to have the full risks and rewards of ownership and so the value of these land and buildings are not recognised in the accounts.

15. STOCKS

	2017 £	2016 £
Uniform and educational supplies	9,335	12,110

16. DEBTORS

	2017 £	2016 £
Trade debtors	22,094	9,917
VAT recoverable	52,976	23,384
Other debtors	67	-
Prepayments and accrued income	469,371	352,835
	544,508	386,136

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	209,994	49,258
Other taxation and social security	245,059	217,639
Other creditors	270,774	198,637
Accruals and deferred income	838,302	884,776
	<u>1,564,129</u>	<u>1,350,310</u>
	2017 £	2016 £
DEFERRED INCOME		
Deferred income at 1 September 2016	115,051	107,817
Resources deferred during the year	168,835	115,051
Amounts released from previous years	(115,051)	(107,817)
Deferred income at 31 August 2017	<u>168,835</u>	<u>115,051</u>

At the Balance sheet date the Academy Trust was holding funds received in advance for rates funding from September 2017 to March 2018; funding from the ESFA regarding Universal Infant Free School Meals; and income received in advance for trips taking place during the 2017-18 academic year.

18. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets measured at amortised cost	<u>3,182,198</u>	<u>3,002,630</u>
Financial liabilities measured at amortised cost	<u>945,945</u>	<u>1,017,620</u>

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

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, and accruals.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
UNRESTRICTED FUNDS						
General Funds	1,175,150	1,127,582	(1,032,793)	-	-	1,269,939
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	568,543	14,373,669	(14,232,998)	(319,980)	-	389,234
High Needs funding	-	320,007	(320,007)	-	-	-
Donations	-	20,278	(20,278)	-	-	-
Pupil premium	-	1,554,931	(1,554,931)	-	-	-
Start up grant funding	-	45,640	(45,640)	-	-	-
Devolved formula capital	-	54,032	(54,032)	-	-	-
Play Equipment	-	-	-	15,000	-	15,000
Other LEA Grants	-	155,441	(155,441)	-	-	-
Other restricted funds	-	324,527	(324,527)	-	-	-
Pension reserve	(6,813,000)	(975,000)	(695,000)	-	1,128,000	(7,355,000)
	(6,244,457)	15,873,525	(17,402,854)	(304,980)	1,128,000	(6,950,766)
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	4,706,877	2,827,916	(168,150)	-	-	7,366,643
Fixed assets purchased from GAG and other restricted funds	442,995	-	(90,376)	319,980	-	672,599
DfE/ESFA capital grants	691,560	-	(44,162)	-	-	647,398
LEA capital grants	36,548	-	(17,273)	(15,000)	-	4,275
Other capital grants	15,825	-	(4,073)	-	-	11,752
	5,893,805	2,827,916	(324,034)	304,980	-	8,702,667
Total restricted funds	(350,652)	18,701,441	(17,726,888)	-	1,128,000	1,751,901
Total of funds	824,498	19,829,023	(18,759,681)	-	1,128,000	3,021,840

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2016 £
UNRESTRICTED FUNDS						
General Funds	1,027,870	691,075	(543,795)	-	-	1,175,150
	<u>1,027,870</u>	<u>691,075</u>	<u>(543,795)</u>	<u>-</u>	<u>-</u>	<u>1,175,150</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,394,524	13,545,543	(13,996,451)	(375,073)	-	568,543
High Needs funding	-	346,568	(346,568)	-	-	-
Donations	-	31,929	(31,929)	-	-	-
Pupil premium	-	1,537,462	(1,537,462)	-	-	-
Start up grant funding	-	63,337	(63,337)	-	-	-
Other LEA Grants	-	109,093	(109,093)	-	-	-
Other restricted funds	-	264,451	(264,451)	-	-	-
Pension reserve	(3,352,000)	(252,000)	(298,000)	-	(2,911,000)	(6,813,000)
	<u>(1,957,476)</u>	<u>15,646,383</u>	<u>(16,647,291)</u>	<u>(375,073)</u>	<u>(2,911,000)</u>	<u>(6,244,457)</u>
RESTRICTED FIXED ASSET FUNDS						
	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2016 £
Fixed assets transferred on conversion	1,977,401	2,820,507	(91,031)	-	-	4,706,877
Fixed assets purchased from GAG and other restricted funds	118,811	-	(50,889)	375,073	-	442,995
DfE/ESFA capital grants	698,595	39,036	(46,071)	-	-	691,560
LEA capital grants	59,631	-	(23,083)	-	-	36,548
Other capital grants	8,667	10,363	(3,205)	-	-	15,825
	<u>2,863,105</u>	<u>2,869,906</u>	<u>(214,279)</u>	<u>375,073</u>	<u>-</u>	<u>5,893,805</u>
Total restricted funds	<u>905,629</u>	<u>18,516,289</u>	<u>(16,861,570)</u>	<u>-</u>	<u>(2,911,000)</u>	<u>(350,652)</u>
Total of funds	<u>1,933,499</u>	<u>19,207,364</u>	<u>(17,405,365)</u>	<u>-</u>	<u>(2,911,000)</u>	<u>824,498</u>

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) during the year in order to fund the continuing activities of the school. During the year £319,980 (2016: £375,073) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

High needs funding is received from the Local Authority to cater for pupils with learning difficulties and other disabilities.

Donations represent amounts given by third parties for a specific purpose.

Pupil premium funding represents amounts received from the ESFA to cater for disadvantaged pupils.

Start up grant funding is paid to certain academies to meet costs arising during the first few years of an Academy Trust which cannot be supported by other elements of the Academy Trust's GAG.

Devolved formula capital represents funding received from the ESFA to cover the maintenance and purchase of the Academies assets.

Play Equipment funding represents money received from BCC in 2016 towards a project that did not go ahead. This money will be spent on a future playground project.

Other LEA Grants represents additional funding received from the local authority such as growth funding.

Other restricted funds includes amounts received from the ESFA for Universal Infant Free School Meals, PE grants and rates funding.

The pension reserve, as with most pension schemes, is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated by Bristol City Council (BCC) on conversion to an Academy Trust and Devolved capital funding.

DfE/ESFA Capital grants includes devolved capital funding and funding from the Academies Capital Maintenance Fund / Academies Condition Improvement Fund.

LEA Capital grants represents an amount received from BCC for IT.

OTHER INFORMATION

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

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Filton Avenue Primary School	357,134	358,616
Orchard School Bristol	(53,834)	353,708
Bridge Learning Campus	930,264	948,418
Parson Street Primary School	379,316	-
Trust in Learning (Academies)	61,293	82,951
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	1,674,173	1,743,693
Restricted fixed asset fund	8,702,667	5,893,805
Pension reserve	(7,355,000)	(6,813,000)
	<hr/>	<hr/>
Total	3,021,840	824,498
	<hr/>	<hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

Name of academy	Amount of deficit £
Orchard School Bristol	53,834

Orchard School has dropped into a deficit position (£53,834). This has been the result of reduction in student numbers over a number of years up until 2016 when this trend has begun to change and numbers are now rising. The school embarked on a large scale management of change exercise in 2016/17 in order to reduce costs and align income and expenditure. This exercise has now been completed and with increasing student numbers and a reduction in staffing costs the deficit will be managed and over the next two years move back to surplus. It will be important to manage this process without compromising the school's ability to improve outcomes.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding dep'n £	Total 2017 £	Total 2016 £
Filton Avenue Primary School	2,630,326	273,868	235,024	627,685	3,766,903	3,836,109
Orchard School Bristol	2,960,942	628,685	409,019	1,221,554	5,220,200	6,249,029
Bridge Learning Campus	3,680,058	852,578	397,652	1,068,332	5,998,620	6,629,367
Parson Street Primary School	1,399,912	227,997	133,405	364,167	2,125,481	-
Trust in Learning (Academies)	308,637	190,343	3,335	102,147	604,462	476,581
	<u>10,979,875</u>	<u>2,173,471</u>	<u>1,178,435</u>	<u>3,383,885</u>	<u>17,715,666</u>	<u>17,191,086</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted general funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	8,702,667	8,702,667
Current assets	1,269,939	1,968,362	-	3,238,301
Creditors due within one year	-	(1,564,128)	-	(1,564,128)
Pension scheme liability	-	(7,355,000)	-	(7,355,000)
	<u>1,269,939</u>	<u>(6,950,766)</u>	<u>8,702,667</u>	<u>3,021,840</u>

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	-	-	5,859,454	5,859,454
Current assets	1,175,150	1,913,801	39,403	3,128,354
Creditors due within one year	-	(1,345,258)	(5,052)	(1,350,310)
Pension scheme liability	-	(6,813,000)	-	(6,813,000)
	<u>1,175,150</u>	<u>(6,244,457)</u>	<u>5,893,805</u>	<u>824,498</u>

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	1,069,342	1,801,999
Adjustment for:		
Depreciation charges	324,034	214,279
Interest receivable	(2,191)	(7,618)
Decrease in stocks	2,775	18,033
Increase in debtors	(158,374)	(8,601)
Increase in creditors	213,819	212,357
Capital grants from DfE and other capital income	(54,034)	(49,399)
Defined benefit pension scheme obligation inherited	975,000	252,000
Defined benefit pension scheme cost less contributions payable	514,000	152,000
Defined benefit pension scheme finance cost	181,000	146,000
Assets and liabilities from Academy Trust/LA on transfer/conversion	(3,370,446)	(3,086,082)
Net cash used in operating activities	(305,075)	(355,032)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	2,684,459	2,730,108
	2,684,459	2,730,108

23. TRANSFER INTO THE ACADEMY TRUST

On 1 September 2016 Parson Street Primary School transferred to Trust in Learning (Academies) and all the operations and assets and liabilities were transferred to Trust in Learning (Academies) from the Single Academy Trust for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities as donations

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

23. TRANSFER INTO THE ACADEMY TRUST (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,709,257	2,709,257
- Other tangible fixed assets	-	-	118,659	118,659
Budget surplus	421,195	-	-	421,195
LGPS pension surplus/(deficit)	-	(975,000)	-	(975,000)
Net assets	<u>421,195</u>	<u>(975,000)</u>	<u>2,827,916</u>	<u>2,274,111</u>

The above budget surplus includes £542,528 that was transferred as cash.

Land and buildings have been included in the accounts at the NBV within Parson Street Primary School accounts.

24. PENSION COMMITMENTS

The Academy Trust'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 Avon Pension Fund. 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 £158,408 were payable to the schemes at 31 August 2017 (2016: £125,751) and are included within creditors.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

24. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

During the previous year the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £1,121,489 (2016: £916,333).

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 £844,000 (2016: £715,000), of which employer's contributions totalled £641,000 (2016: £553,000) and employees' contributions totalled £203,000 (2016: £182,000). The agreed contribution rates for future years are 11.2% – 15.4% for employers and 5.5% – 12.5% for employees.

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

24. PENSION COMMITMENTS (continued)

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

Principal actuarial assumptions:

	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	23.5 years	23.5 years
Females	26.0 years	26.0 years
Retiring in 20 years		
Males	26 years	25.9 years
Females	28.7 years	28.9 years

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate +0.1%	(336,000)	(307,000)
Mortality assumption - 1 year increase	256,000	234,000
CPI rate +0.1%	343,000	314,000

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	3,642,000	2,269,000
Government bonds	824,000	548,000
Corporate bonds	566,000	431,000
Property	647,000	434,000
Cash and other liquid assets	265,000	(23,000)
Other	1,413,000	831,000
Total market value of assets	7,357,000	4,490,000

The actual return on scheme assets was £560,000 (2016: £557,000).

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

24. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(1,155,000)	(685,000)
Interest income	122,000	135,000
Interest cost	(303,000)	(281,000)
	<u> </u>	<u> </u>
Total	<u>(1,336,000)</u>	<u>(831,000)</u>

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

	2017 £	2016 £
Opening defined benefit obligation	11,303,000	6,725,000
Upon conversion	-	252,000
Transferred in on existing academies joining the trust	2,388,000	-
Current service cost	1,155,000	685,000
Interest cost	303,000	281,000
Employee contributions	203,000	182,000
Actuarial (gains)/losses	(636,000)	3,322,000
Benefits paid	(4,000)	(144,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	<u>14,712,000</u>	<u>11,303,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	4,490,000	3,373,000
Transferred in on existing academies joining the trust	1,413,000	-
Interest income	122,000	135,000
Actuarial gains	492,000	411,000
Employer contributions	641,000	533,000
Employee contributions	203,000	182,000
Benefits paid	(4,000)	(144,000)
	<u> </u>	<u> </u>
Closing fair value of scheme assets	<u>7,357,000</u>	<u>4,490,000</u>

TRUST IN LEARNING (ACADEMIES)
(A COMPANY LIMITED BY GUARANTEE)

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

25. OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	699,507	672,732
Between 2 and 5 years	2,707,817	2,690,928
After more than 5 years	7,100,064	7,772,796
Total	<u>10,507,388</u>	<u>11,136,456</u>

Bridge Learning Campus and Orchard School Bristol (including Filton Avenue Primary at the Orchard School site) are under PFI agreements dated July 2006 and April 2004 respectively. £10,463,724 of costs shown above represent the total PFI charge under the agreements.

26. MEMBERS' LIABILITY

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

27. GENERAL INFORMATION

Trust in Learning (Academies) is a company limited by guarantee, incorporated in England and Wales. The registered office is Trust House, Teyfant Road, Bristol, BS13 0RG.

28. RELATED PARTY TRANSACTIONS

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

During the year ended 31 August 2017 Caroline Jenkins, a Trustee, provided services to the Academy Trust and was paid £27,500 (2016: £27,500). There was no balance outstanding at either year end.