

**Trinity Academy Newcastle**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**for the period ended**  
**31 August 2015**

Company Registration No. 08449062

# Trinity Academy Newcastle

## REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs Ann Calder Mrs Linda Ellison Mrs Sarah Elliott
Trustees	*Mrs Ann Calder – Chair *Mrs Linda Ellison - Vice Chair *Mrs Sarah Elliott - Vice Chair Mrs Claire Black Mrs Claudia Venosa Mrs Carol McNally *Mr Ken Meikle *Mr William Curley – Executive Head Teacher Ms Michelle Higgins – Staff Miss Sharron Hodgson – Staff  *Members of the Finance and Audit Committee
Company Secretary	Mrs June Renwick
Senior Leadership Team:-  Executive Headteacher Head of School (Business) Head of School (Improvement) Head of School (Pastoral) Assistant Head of Post 16 Assistant Head of Oakfield Assistant Head of Deneview Student Welfare Coordinator	Mr William Curley Mrs June Renwick Mr Patrick Tully Mr Mark Flint Ms Lynn McNally Mrs Lorna Hendry Mrs Sarah Northey Ms Michelle Higgins
Company Registration Number	08449062
Principal and Registered office	Trinity Academy Newcastle Condercum Road Newcastle Upon Tyne NE4 8XJ
Independent Auditor	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) 1 St James' Gate Newcastle Upon Tyne NE1 4AD
Bankers	Lloyds Bank PLC 102 Grey Street Newcastle upon Tyne NE99 1SL
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX

# Trinity Academy Newcastle

## TRUSTEES' REPORT

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### **Trustees Report**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 March 2015 to the 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a directors' report including a strategic report under company law.

Trinity Academy is a Specialist Provision for students who have a Statement of Special Educational Needs or Education, Health and Care Plan for Social, Emotional and Mental Health (SEMH). The trust operates an academy for pupils aged 7 to 19 (or 24 for higher funded students with learning difficulties or disabilities). The school converted to academy status on 1 March 2015.

### **Structure, Governance and Management**

#### **Constitution**

The academy trust was formed on 18 March 2013 and is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Trinity Academy Newcastle are also the directors of the charitable company for the purposes of company law. The charitable company is known as Trinity Academy Newcastle.

Details of the trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

#### **Members' liability**

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

#### **Method of recruitment and appointment or election of trustees**

Articles of Association, 50-64 state:

50. The Members may appoint up to 3 Governors.

50A. The Members may appoint Staff Governors through such process as they may determine.

SOB. The total number of Governors (Including the Principal) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

53. Subject to Article 57, the Parent Governors shall be elected by parents of registered pupils at the Special Academy. A Parent Governor must be a parent of a pupil at the Special Academy at the time when he/she is elected.

# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

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54. The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Special Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

55. The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Special Academy.

56. Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Special Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

57. The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

58. In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Special Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

### CO-OPTED GOVERNORS

59. The Governors may appoint Co-opted Governors. A re-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Principal).

### **Policies and procedures adopted for the induction and training of trustees**

Support for new trustees:-

To help new trustees learn about their role and quickly contribute to the work of the governing body, there will be an initial meeting with the Chair and the Headteacher and a mentor (a named and experienced trustee) will be appointed. There will be welcome and full introductions at the first meeting.

New trustees will be provided with the following:

- Governing Body Handbook
- Minutes from last full governing body meeting
- School Development Plan
- Last Ofsted Report
- Any self-evaluation materials
- Access to Trustees' Area on school website or Space / VTLE (This will provide all trustees with access to all the Academy's policies)

We encourage all new trustees to take up training opportunities – especially Induction – offered by Governor Services and/or the Diocese and from Modern Governor (eLearning). The PA to the

# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

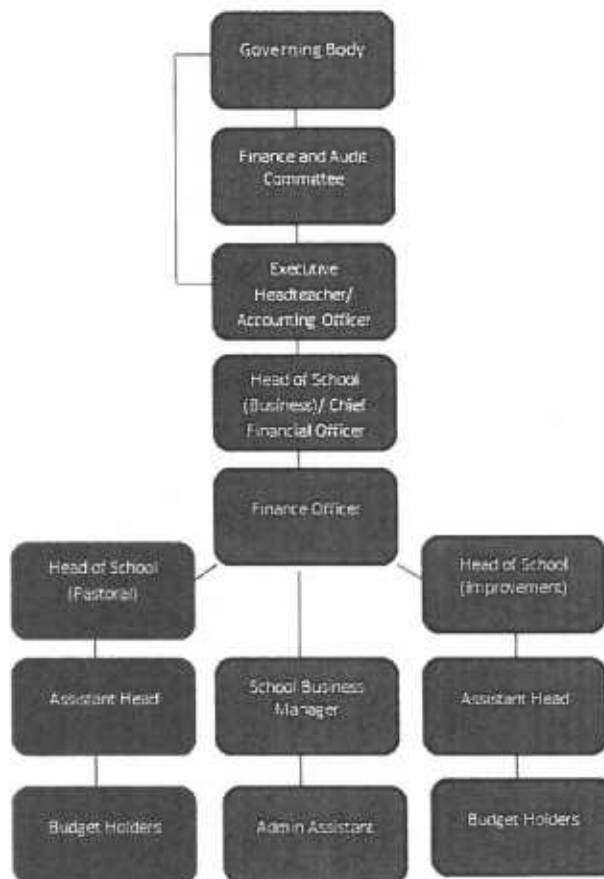
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Executive Headteacher records all Trustees Training. These records are updated on a half termly bases and published at all FGB Meetings and all Resources Committees.

A mentor (Usually the Chair) will do the following:

- Meet with the new governor before the meetings for the first year to answer questions, explain the agenda etc
- Sit with the new governor at meetings to answer questions
- Make regular contact to answer questions

### Organisational structure



### Connected organisations, including related party relationships

There are no related parties which either control or significantly influence the decisions or operations of the Academy.

Further details are stated in note 24 to the financial statements.

# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

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### Objectives and Activities

Trinity Academy is dedicated to providing a rich, experiential curriculum which promotes children's independence, a thirst for enquiry and a life-long passion for learning. We believe this is done best through cross-curricular learning, in which children learn through linking subjects together. The National Curriculum is the statutory requirement for student's learning during Key Stage 1 to 4. In addition to the National Curriculum, Trinity has supplementary subjects built into the curriculum offer which not only ensures the coverage of the National Curriculum, but also facilitates learning experiences that enable our pupils to achieve their full potential. We believe in providing enriching opportunities which develop the core skills of Communication, Numeracy, Reading and Writing.

The lower school provides a flexible and rounded curriculum fulfilling all national curriculum requirements for KS2 and KS3. This is supported by a range of enrichments activities to provide cross curriculum learning experiences and SMSC objectives.

In the upper school Pre 16 students follow a diverse, flexible curriculum which includes 9 GCSE and 2 vocational options. There is still a core component of subjects, namely English, Mathematics, Science, ICT, Physical Education, PHSE, WRL and Technology.

However in the upper School Post 16 learners follow the Learn to work Programme (Study Programme); which provides learners with a chance to learn and gain qualifications (including GCSE English and maths) in a real working environment. While also having the opportunity to gain real work experience with local employers.

### Objectives, strategies and activities

- Achievement
- Behaviour and Safety
- Teaching and Learning
- Leadership and Management

A detailed Self Evaluation Form (SEF) and School Improvement Plan (SIP) are available on the schools website; these outline the strategies implemented to achieve the above.

### Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit.

### **Strategic Report**

#### Achievements and Performance

##### Achievement

- KS2 Improved: Statutory assessment results at KS2 have improved over 3 years.
- GCSEs Improved: There has been a clear shift towards GCSE qualification over the past two years. There has been a 41% improvement in the number of SCAAT points collected from GCSE qualification from 2012 to 2014, with 93.3% of SCAAT points achieved from GCSEs alone in 2014.
- Life After Trinity is Better: In 2014/15, 83% of students progressed to training, employment and education. This figure has increased year on year for 3 years.
- KS2 Attainment: The attainment of year 6 students is rapidly approaching all other pupils nationally. APS in 2013 was 19.1, this increased to 23.6 in 2014.

# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

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- KS4 Attainment: Trinity's collective SCAAT score in 2013-14 was a 34% improvement from 2012-13. The individual pupil average score also increased by 81%.
- Improved Progress: 88% of Trinity Students have improved their rates of progress since joining Trinity

### Behaviour and Safety

- Power of Choice: Development of the Power of Choice.
- Behaviour Leadership : Development of Behaviour Leadership staff training module
- Bullying: Bullying incidents have significantly reduced by 80% since 2011-12. During 2013-14, there were only 6 recorded incidents of bullying.
- Exclusions: Exclusions have significantly reduced since 2010-11 by 60%
- Impact: 75% of students have improved their attendance since joining Trinity, with only 5% showing a drop. 49% of those that have improved were persistent non-attendees but are now good attendees, with 41% previously good attendees who have become even better.
- Caseload Success: 74% of students have improved their attendance since being allocated a caseworker.
- Team Teach: Trinity achieved Team Teach Gold status (September 2014 – valid for 3 years)
- "Trinity are at the forefront of good practice, I am thrilled to award them with The Team Teach Gold Status award I am happy to confirm that the award of team teach gold standard confirms , both on paper evidence, audit and personal testimony, that Trinity school is providing a high level of behaviour management and safeguarding". (George Matthews Team Teach director)
- Trustee Involvement: All Safeguarding Policies have been passed through Governors and updated for the year. These are reviewed on an annual basis.
- Safeguarding Inductions: Safeguarding Induction Package for new staff continues. Staff and volunteers have Induction within two weeks of starting and sign to say they have undertaken it. So far this year 29 people have undertaken induction.
- Newcastle Families Programme: Work has continued to develop with the Newcastle Families Programme Mentor, Kerry Yendall. Joint working has been able to ensure any concerns over students who meet the threshold for the Programme are quickly addressed and further interventions identified in order to safeguard students in the community.
- Mandatory Safeguarding Training for All Staff: Most staff undertook mandatory Safeguarding Training in October. There are 15 new staff and Governor's therefore a 'catch up session' will need to be arranged with Ian Clennell.
- Pastoral Manager: A new Pastoral Manager has been appointed on the Oakfield site and he wishes to undertake CAF Training which will further strengthen our commitment to early intervention with our more complex families.
- Keeping Up To Date: Designated Safeguarding Person attended a National Conference on 14-19 Safeguarding to be better informed of the issues around Child Sexual Exploitation.

### Teaching and Learning

- More Qualifications: The number of recognised qualifications on offer have increased year on year.
- Quality: Quality of teaching is consistently good and often outstanding (Ofsted 2012)
- Engagement: Engagement is consistently highlighted as an area of strength.
- Increasing Numbers: The number of students staying for extra-curricular clubs has increased.
- Significant Rise: % students completed regular homework 2013-14.
- Summer: % rise from Autumn to Summer in the amount of regular homework completed.
- Parents: % parents attended teaching and learning workshop

# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

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### Leadership and Management

- Everybody Wins: 100% of staff successfully completed 13/14 Cycle.
- Success: Governor's involvement and endorsement of a successful process.
- Uniformity: Process and templates used to 'ignite' the start of Pastoral and HLTA appraisal in 14/15.
- Onwards & Upwards: 1 member of staff successfully moving up an increment in line with schools pay policy.
- Redesigned: The committee structure has been streamlined to make it more efficient and effective
- Leadership: There has been a strategy to integrate the work of the governing body and the SLT, who now attend each full Governor's meeting.
- CPD: All governors have attended extensive CPD, enhancing their understanding of their role.
- Site Visits: Governors conduct regular focussed site visits and make recommendations for school improvement.
- Refinement: School evaluation and improvement processes have been refined to ensure that governors are part of the process of establishing school priorities and targets and are central to evaluating progress towards these objectives.
- Data: School improvement and performance data summaries are produced that are specifically designed for the governing body.
- Professional: A number of highly skilled governors from professional backgrounds have been recruited.
- Meets: Regular informal governor only discussion groups are held.

The measures used to assess achievement are:

- FFT
- Raise Online
- Prior Attainment
- 3 levels and 4+ levels of progress
- Midys/ Yellis
- Trackers/ End of unit assessments

### Key Performance Indicators

The Academy, where available, uses benchmarking opportunities to ensure that performance indicators, financial, environmental and employee matters are reviewed annually and any areas for development are addressed.

The Academy also makes use of comparative data provided by the Education Funding Agency (EFA) and the Local Authority.

### Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.



# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

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### **Operating and financial review for period**

The financial position of the Academy Trust is secure. Refer to minutes of Trustees Finance and Audit committee meetings and Full Governing Body meetings, available from the school.

The principal financial management policies adopted by the Academy are outlined in the Academies Financial Handbook. These include Internal Financial Regulations and a dedicated Committee which meets three times a year and in turn reports to the Full Governing Body, again, 3 times a year. The principal source of funding is the General Annual Grant (GAG), Pupil Premium funding, SEN and Post 16 funding. This in turn is delegated to Departments within the Academy and directed to the key objectives in the SEF which are then tracked and analysed in terms of their impact.

### **Reserves Policy**

The Academy does not carry a deficit balance.

### **Investment Policy**

At this time the Academy does not exercise its power to make financial investments.

### **Principal Risks and Uncertainties**

The principal financial risks and uncertainties are contained in the Strategic and Reputational Risk Plan which is reviewed biannually, examples of these include:-

- Human Resources and Staff Welfare
- Quality of Service and Performance
- Financial Management and Budgets
- Safeguarding and Pupil Welfare
- Premises, Health and Safety
- Security
- ICT Provision
- Insurance Protection
- Information Management
- Incident Management and Business Continuity

### **Risk Management**

The Trustees have reviewed the assessment of major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have monitored a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have monitored the systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement.

The Academy has a Business Continuity Plan, Strategic and Reputational Risk Plan, Critical Incident Plan and Emergency Closure Plan.

These are reviewed annually by the Senior Leadership Team and Trustees.

# Trinity Academy Newcastle

## TRUSTEES' REPORT (continued)

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### Financial and Risk Management Objectives and Policies

From conversion, at 31 August 2015, the Academy was liable for a £632,000 Local Government Pension Scheme deficit along with £258,700 for past service additional contributions.

The Past Service amount is assumed to be paid over the recovery period of 3.1 years in the following amounts. The amounts shown are expected to increase in future in line with our pay inflation assumptions (3.40% p.a.).

Past Service Amount Payable in year ending 31 March 2015	-	£10,200.00
Past Service Amount Payable in year ending 31 March 2016	-	£122,200.00
Past Service Amount Payable in year ending 31 March 2017	-	£126,300.00

### Plans for Future Periods

The aims and objectives for future periods will continue to be those outlined in Objectives, Strategies and Activities as above. The priorities for 2015/16 are the following and all strategies to achieve them are regularly updated in the Academies SEF/SIP:-

- Feedback and Marking
- Attendance in Key Stage 4
- Literacy/ English Upper School
- Parenting

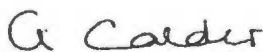
### **AUDITORS**

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) were appointed auditors to the academy and has indicated its willingness to continue in office.

### **Statement as to disclosure of information to auditors**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report incorporating a Strategic Report was approved by the board of trustees in their capacity as the directors at a meeting on 16 December 2015 and signed on its behalf by:

  
**Ann Calder**  
Chair of Trustees

# Trinity Academy Newcastle

## GOVERNANCE STATEMENT

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### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Trinity Academy Newcastle 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 Executive Headteacher; as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between Trinity Academy Newcastle 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 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of possible
Ann Calder	1	1
Sarah Elliott	0	1
Linda Ellison	1	1
Sharron Hodgson	1	1
Michelle Higgins	1	1
Claire Black	1	1
Claudia Venosa	1	1
Ken Meikle	1	1
Carol McNally	1	1
William Curley	1	1

The Finance and Audit Committee is a sub-committee of the main board of trustees. The responsibilities of the Finance and Audit Committee are:

- Initial review and recommendation to the Governing Body of the annual budget;
- Regular monitoring of actual expenditure and income against budget;
- Ensuring the annual accounts are produced in accordance with requirements of the Companies Act 1985 and the DfE guidance issued to Academies;
- Authorising the award of contracts up to the amount stated in the Scheme of Delegation
- Reviewing the reports of the Responsible Officer on the effectiveness of the financial procedures and controls. These reports must also be reported to the Governing Body.
- To review the financial policies of the Academy and where necessary make recommendations to the Governing Body.
- Authorising changes to the Academy personnel establishment

# Trinity Academy Newcastle

## GOVERNANCE STATEMENT

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Attendance at meetings in the year is as follows:

Trustee	Meetings attended	Out of possible
Ann Calder	1	1
Sarah Elliott	0	1
Linda Ellison	1	1
Ken Meikle	1	1
William Curley	1	1

The Resources Committee is also a sub-committee of the main board of trustees. The responsibilities of the Resources Committee are:

- Polices
- Health, Safety and Wellbeing
- Premise and Development report
- Governor Reports and Training
- Curriculum topics
- Staffing Report

Attendance at meetings in the year is as follows:

Trustee	Meetings attended	Out of possible
Ann Calder	1	1
Sarah Elliott	0	1
Linda Ellison	0	1
Michelle Higgins	1	1
Ken Meikle	0	1
William Curley	1	1

### Review of Value for Money

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

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

### Introduction

The Accounting Officer is accountable for the way in which the Academy's resources are allocated to meet the objectives set out in the school's development plans. The Accounting Officer needs to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services.

# Trinity Academy Newcastle

## GOVERNANCE STATEMENT

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### What Is Best Value?

The Accounting Officer and Trustees will apply the four principles of *best value*:

- **Challenge** – Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- **Compare** – How does the school's pupil performance and financial performance compare with similar schools?
- **Consult** – How does the school seek the views of stakeholders about the services the school provides?
- **Compete** – How does the school secure efficient and effective services? Are services of appropriate quality, economic?

### The Accounting Officer and Trustees Approach

The Accounting Officer will apply the principles of *best value* when making decisions about:

- the allocation of resources to best promote the aims and values of the school.
- targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all pupils.

The Accounting Officer, ensure that the Academy will:-

- make comparisons with other/similar schools using data provided by the LA and the government, e.g. quality of teaching & learning, levels of expenditure.
- challenge proposals, examining them for effectiveness, efficiency, and cost e.g. setting of annual pupil achievement targets.
- require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup. e.g. provision of smart boards, PAT testing.
- consult individuals and organisations on quality/suitability of service we provide to parents and pupils and services we receive from providers e.g. pupil reports, assigned inspector, Ofsted, LA Energy Group

This will apply in particular to:

- staffing
- use of premises
- use of resources
- quality of teaching
- quality of learning
- purchasing
- pupils' welfare
- health and safety

The Accounting Officer, ensure that the Academy will:-

- will not waste time and resources on investigating minor areas where few improvements can be achieved.
- will not waste time and resources to make minor savings in costs.
- will not waste time and resources by seeking tenders for minor supplies and services.

# Trinity Academy Newcastle

## GOVERNANCE STATEMENT

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The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

### **Staffing**

The Accounting Officer will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management.

### **Use of Premises**

The Accounting Officer will ensure that the Academy consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services and for communal access to central resources e.g. the farm.

### **Use of Resources**

The Accounting Officer will ensure that the Academy deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

### **Teaching**

The Accounting Officer will ensure that the Academy review the quality of curriculum provision and quality of teaching to provide pupils and parents with:

- a curriculum which meets the requirements of the National Curriculum, National Literacy Strategy and National Numeracy Strategy and the needs of pupils.
- teaching which builds on previous learning and has high expectations of children's achievement.

### **Learning**

The Accounting Officer will ensure that the Academy review the quality of children's learning, by cohort, class and group to provide teaching which enables children to achieve nationally expected progress  
e.g. setting of annual pupil achievement targets.

### **Purchasing**

The Accounting Officer will ensure that the Academy develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost. Measures already in place include:

- competitive tendering procedures (e.g. for goods and services above £5000).
- procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship).
- procedures which minimise office time by the purchase of goods or services under £1000 direct from known, reliable suppliers (e.g. stationery, small equipment).

# Trinity Academy Newcastle

## GOVERNANCE STATEMENT

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### **Pupils' Welfare**

The Accounting Officer will ensure that the Academy review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.

### **Health & Safety**

The Accounting Officer will ensure that the Academy review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

### **Monitoring**

These areas will be monitored for best value by:

1. In-house monitoring by the Executive Headteacher and curriculum managers e.g. classroom practice, work sampling.
2. Target-setting meetings between the Executive Headteacher and curriculum managers.
3. Annual Performance Management
4. Annual Budget Planning
5. Analysis of school pupil performance data.
6. Analysis of LA financial data.
7. Ofsted inspection reports
8. Governors' termly committee meetings
9. Governors' full termly meetings
10. Governors' Annual Finance Review.
11. Governors' Annual Development Plan Meeting

In the next three years the Accounting Officer and Trustees will:

- Hold an annual performance plan meeting to set targets for improving pupil achievement.
- Hold an annual development plan meeting.
- Discuss "Best Value" at each Autumn Term meeting of the Resource Committee.
- Consider best value when arranging internal and external redecoration contracts.
- Obtain tenders and a consultant's advice on the installation of an IT suite and any large scale refurbishment of the premises.
- Obtain assessment management surveys.

The Accounting Officer for the academy trust has delivered improved value for money during the period by:

- Following value for money discussions in the Governors' termly committee meetings, it was agreed that the School Business Manager would look into the photocopying lease. The School Business Manager requested three quotes, quotes were obtained from Canon, Concept and Konica. Once quotes were obtained, Trinity reviewed the length of lease, tracking software available, annual cost and business location. The information was tabled and the Finance meeting and the committee agreed to go with Concept. This was due to Concept being able to offer a shorter lease term and the availability to provide Trinity with a in depth tracking facility, which would enable Trinity to reduce copying charges.

# Trinity Academy Newcastle

## GOVERNANCE STATEMENT

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Trinity Academy Newcastle for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 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 and Audit 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 RSM as our 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:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/ bank reconciliations



## Trinity Academy Newcastle

### GOVERNANCE STATEMENT

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On a quarterly basis, the last internal audit took place on the 8<sup>th</sup> July 2015, the internal auditor reports to the Finance and Audit committee and the Full Governing Body on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

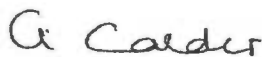
#### **Review of effectiveness**

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

- The work of the internal auditor
- The work of the external auditor
- The financial management and governance self-assessment process;
- The work of the Head of School (Business) 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 and Audit Committee and a plan to address areas for development and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 16 December 2015 and signed on its behalf by:



**Ann Calder**  
**Chair of Trustees**

**William Curley**  
**Accounting Officer**



# Trinity Academy Newcastle

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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As Accounting Officer of Trinity Academy Newcastle Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy 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.

I confirm that I and the Academy Trust's 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.

I confirm that no instances of material irregular, 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 EFA.



A handwritten signature in black ink, appearing to read 'W Curley', is written over a horizontal dotted line. The signature is fluid and cursive.

W Curley  
Accounting Officer

16 December 2015

# Trinity Academy Newcastle

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees (who act as governors of Trinity Academy Newcastle are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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:

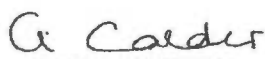
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the EFA/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 on 16 December 2015 and signed on its behalf by:



.....  
A Calder

Chair of Governors

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF Trinity Academy Newcastle

Period ending on 31 August 2015

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We have audited the financial statements of Trinity Academy Newcastle for the period ended 31 August 2015 on pages 21-41. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

## RESPECTIVE RESPONSIBILITIES OF TRUSTEES' AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the Trustees (who act as Trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

## SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

## OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

## OPINION ON OTHER REQUIREMENT OF THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
Trinity Academy Newcastle

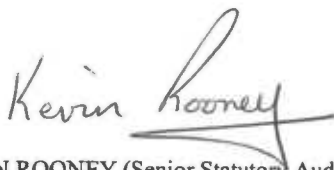
Period ending on 31 August 2015

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MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the charity has not kept adequate accounting records, 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' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



KEVIN ROONEY (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor  
Chartered Accountants  
1 St James' Gate  
Newcastle upon Tyne  
NE1 4AD

18 December 2015

# Trinity Academy Newcastle

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

For the period ended 31 August 2015

	Notes	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	1	-	-	8,658	8,658	-
Transfer from Local Authority on conversion	28	866,166	(683,000)	11,999,678	12,182,844	-
Activities for generating funds	2	34,541	-	-	34,541	-
Investment income	3	250	-	-	250	-
Incoming resources from charitable activities:						
Academy Trust's educational operations	4	2,255	1,968,066	-	1,970,321	-
<b>TOTAL INCOMING RESOURCES</b>		<b>903,212</b>	<b>1,285,066</b>	<b>12,008,336</b>	<b>14,196,614</b>	<b>-</b>
<b>RESOURCES EXPENDED</b>						
Cost of generating funds:						
Fund-raising trading	5	-	-	-	-	-
Charitable activities:						
Academy Trust's educational operations	5, 6	-	1,998,782	160,184	2,158,966	-
Governance costs	5, 7	12,800	17,676	-	30,476	-
<b>TOTAL RESOURCES EXPENDED</b>		<b>12,800</b>	<b>2,016,458</b>	<b>160,184</b>	<b>2,189,442</b>	<b>-</b>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>						
Gross transfers between funds	14	890,412 (85,392)	(731,392) 85,392	11,848,152 -	12,007,172 -	- -
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>805,020</b>	<b>(646,000)</b>	<b>11,848,152</b>	<b>12,007,172</b>	<b>-</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>						
Actuarial gains/(losses) on defined benefit pension	23	-	14,000	-	14,000	-
<b>NET MOVEMENT IN FUNDS</b>		<b>805,020</b>	<b>(632,000)</b>	<b>11,848,152</b>	<b>12,021,172</b>	<b>-</b>
<b>RECONCILIATION OF FUNDS</b>						
Total Funds brought forward		-	-	-	-	-
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>15</b>	<b>805,020</b>	<b>(632,000)</b>	<b>11,848,152</b>	<b>12,021,172</b>	<b>-</b>

All of the Academy Trust's activities derive from continuing operations during the above financial periods.

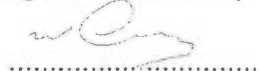
## Trinity Academy Newcastle

## BALANCE SHEET

As at 31 August 2015

	Notes	2015 £	2015 £	2014 £	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	11		11,839,611		-
<b>CURRENT ASSETS</b>					
Debtors	12	90,766		-	
Cash at bank and in hand		826,459		-	
		917,225		-	
<b>CREDITORS: Amounts falling due within one year</b>					
	13	(103,664)		-	
<b>NET CURRENT ASSETS</b>					
			813,561		-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			12,653,172		-
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>					
			12,653,172		-
Pension Scheme Liability	23		(632,000)		-
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>					
			12,021,172		-
<b>THE FUNDS OF THE ACADEMY TRUST:</b>					
<b>RESTRICTED FUNDS</b>					
Fixed asset fund	14		11,848,152		-
General fund	14		-		-
<b>Restricted funds excluding pension reserve</b>					
			11,848,152		-
Pension reserve	14		(632,000)		-
<b>TOTAL RESTRICTED FUNDS</b>					
			11,216,152		-
<b>TOTAL UNRESTRICTED INCOME FUNDS</b>					
	14		805,020		-
<b>TOTAL FUNDS</b>					
			12,021,172		-

The financial statements on pages 21 to 41 were approved by the Trustees and authorised for issue on 16 December 2015 and are signed on their behalf by:



W Curley

Accounting Officer

# Trinity Academy Newcastle

## CASH FLOW STATEMENT

For the period ended 31 August 2015

	<i>Notes</i>	2015 £	2014 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	19	(61,313)	-
Returns on investments and servicing of financing	20	250	-
Cash transferred on conversion to academy trust	28	878,864	-
Capital income and expenditure	21	8,658	-
INCREASE IN CASH IN THE YEAR	22	826,459	-
RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET FUNDS			
NET FUNDS AT 1 APRIL		-	-
NET FUNDS AT 31 AUGUST	22	826,459	-



# Trinity Academy Newcastle

## ACCOUNTING POLICIES

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### BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice: 'Accounting and Reporting by Charities' ('SORP 2005'), the Academies: Accounts Direction 2014 to 2015 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

### CONVERSION TO AN ACADEMY TRUST

The conversion from state maintained schools to the Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Trinity School and Trinity Solutions to the Trust have been valued at their fair value being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with policies set out for Trinity Academy Newcastle Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The school land and buildings were transferred from the Newcastle City Council to the Trust under a 125 year lease and have therefore been recognised at fair value as an asset on conversion.

### GOING CONCERN

The Trustees assess whether the use of going concern basis of preparing the financial statements 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 charitable company 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 approval of the financial statements.

### INCOMING RESOURCES

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

### GRANTS RECEIVABLE

Grant income is 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.

The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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.

### DONATIONS

Donations are recognised on a receivable basis where there is an entitlement, certainty of receipt and the amount can be reliably measured.

### OTHER INCOME

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

### INTEREST RECEIVABLE

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

# Trinity Academy Newcastle

## ACCOUNTING POLICIES (CONTINUED)

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### 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 General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency and the Department for Education.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and the Department for Education, where the asset acquired or created is held for a specific purpose.

### RESOURCES EXPENDED

All expenditure is recognised in the year in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities are costs incurred on the Academy Trust's educational operations.
- Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

### TANGIBLE FIXED ASSETS

Tangible fixed assets costing £1,000 or more (Machinery, Equipment and Vehicles) and £10,000 or more (Land, Buildings and improvements) are capitalised at cost 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 the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy, the corresponding amount charged to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Leasehold land and buildings	Straight line over 50 years
Furniture and Equipment	Straight line over 5 years
ICT 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.

### TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

# Trinity Academy Newcastle

## ACCOUNTING POLICIES (CONTINUED)

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### PENSION BENEFITS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS') (until April 2016), and the assets are held separately from those of the Academy Trust.

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 quinquennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the year until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

### AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the statement of financial activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

### LEASED ASSETS

Rentals under operating leases are charged on a straight-line basis over the lease term.

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2015

### 1 VOLUNTARY INCOME

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
DfE/EFA capital grants	-	-	8,658	8,658	-
	-	-	8,658	8,658	-

Capital grants received are not permanent endowments.

### 2 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted general funds £	Total 2015 £	Total 2014 £
Income from recharge of services	23,816	-	23,816	-
Other income	10,725	-	10,725	-
	34,541	-	34,541	-

### 3 INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	250	-	250	-

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 4 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
<b>DfE/EFA REVENUE GRANTS</b>					
General annual grant (GAG)	-	854,323	-	854,323	-
Other DfE/EFA grants	-	40,264	-	40,264	-
	-	894,587	-	894,587	-
<b>OTHER GOVERNMENT GRANTS</b>					
Local authority grants	-	1,073,479	-	1,073,479	-
	-	1,073,479	-	1,073,479	-
<b>OTHER INCOME</b>					
Catering Income	2,255	-	-	2,255	-
	2,255	-	-	2,255	-
	2,255	1,968,066	-	1,970,321	-

### 5 RESOURCES EXPENDED

	Staff costs £	Non pay expenditure Premises £	Other costs £	Total 2015 £	Total 2014 £
Costs of generating voluntary income	-	-	-	-	-
Fund-raising trading	-	-	-	-	-
Academy's education operations					
Direct costs	1,185,045	119,230	283,408	1,587,683	-
Allocated support costs	416,551	87,479	67,253	571,283	-
	1,601,596	206,709	350,661	2,158,966	-
Governance costs	-	-	30,476	30,476	-
	1,601,596	206,709	381,137	2,189,442	-
Net incoming / (outgoing) resources for the period				2015 £	2014 £
Operating leases:					
- other				2,527	-
Fees payable to RSM UK Audit LLP and its associates for:					
- audit				8,000	-
- other services				4,800	-

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 6 CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	2015 £	2014 £
<b>DIRECT COSTS</b>		
Teaching and educational support staff	1,185,045	-
Depreciation	147,369	-
Technology costs	5,453	-
Educational supplies	207,928	-
Examination fees	6,584	-
Staff Development	4,427	-
Other direct costs	30,877	-
	<u>1,587,683</u>	<u>-</u>
<b>ALLOCATED SUPPORT COSTS</b>		
Support staff costs	416,551	-
Technology costs	15,895	-
Recruitment and support	5,164	-
Maintenance of premises and equipment	57,656	-
Cleaning	1,788	-
Rent and rates	6,189	-
Energy costs	20,233	-
Insurance	1,613	-
Security and transport	6,581	-
Catering	15,795	-
Bank interest and charges	96	-
Other support costs	28,722	-
Pension finance cost	(5,000)	-
	<u>571,283</u>	<u>-</u>
Total direct and support costs	<u>2,158,966</u>	<u>-</u>

### 7 GOVERNANCE COSTS

	2015 £	2014 £
Legal and professional fees	17,676	-
Auditor's remuneration		
Audit of financial statements	8,000	-
Other services	4,800	-
	<u>30,476</u>	<u>-</u>

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

8 STAFF COSTS	2015	2014
	£	£
Staff costs during the period were:		
Wages and salaries	1,188,958	-
Social security costs	85,689	-
Pension costs	216,880	-
	<u>1,491,527</u>	<u>-</u>
Supply staff costs	110,069	-
	<u>1,601,596</u>	<u>-</u>

The average number of persons (including senior management team) employed by the Academy Trust during the period was as follows:

	2015	2015	2014	2014
	FTE	No.	FTE	No.
Teachers	19	18	-	-
Administration and support	77	84	-	-
Management	10	10	-	-
	<u>106</u>	<u>112</u>	<u>-</u>	<u>-</u>

The number of employees whose emoluments, excluding pension contributions, fell within the following bands was:

	2015	2014
	No.	No.
£100,001 - £110,000	<u>1</u>	<u>-</u>

1 (2014 - nil) of the above employees participated in the Teachers' Pension Scheme. The remainder of the employees participated in the Local Government Pension Scheme. Both schemes are defined benefit schemes.

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

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### 9 TRUSTEES' REMUNERATION AND EXPENSES

Principal and staff trustees' only receive remuneration in respect of services they provide undertaking the roles of Principal and staff trustees under their contracts of employment and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy Trust in respect of their role as trustees.

The value of the trustees' remuneration and other benefits plus pension contributions fell within the following bands:

	<u>2015</u>	<u>2014</u>
	<u>£'000</u>	<u>£'000</u>
B Curley, Principal	60-70	-
S A Hodgson, Staff Trustee	10-20	-
M Higgins, Staff Trustee	10-20	-

Related party transactions involving the Trustees' are set out in note 24.

### 10 TRUSTEES' AND OFFICERS INSURANCE

In accordance with normal commercial practice the Academy Trust has in place insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the total general premium paid of £3,750 (2014 - £nil).

The cost of this insurance is included in the total insurance cost.



# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 11 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Fixtures and Fittings £	ICT Equipment £	Total £
<b>COST</b>				
At 1 April 2014	-	-	-	-
Transfer on conversion	11,923,000	17,183	46,797	11,986,980
31 August 2015	11,923,000	17,183	46,797	11,986,980
<b>DEPRECIATION</b>				
At 1 April 2014	-	-	-	-
Charge for the year	119,230	17,183	10,956	147,369
31 August 2015	119,230	17,183	10,956	147,369
<b>NET BOOK VALUE</b>				
31 August 2015	11,803,770	-	35,841	11,839,611
<b>NET BOOK VALUE</b>				
At 1 April 2014	-	-	-	-

### 12 DEBTORS

	2015 £	2014 £
Prepayments and accrued income	36,532	-
VAT recoverable	54,234	-
	90,766	-

### 13 CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Accruals and deferred income	103,664	-
	103,664	-

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 14 FUNDS

	At 1 April 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	At 31 August 2015 £
<b>RESTRICTED GENERAL FUNDS</b>					
General Annual Grant (GAG)	-	854,323	(939,715)	85,392	-
Pension reserve	-	(683,000)	37,000	14,000	(632,000)
	-	171,323	(902,715)	99,392	(632,000)
Local Authority Grants	-	1,073,479	(1,073,479)	-	-
Other DfE/EFA grants	-	40,264	(40,264)	-	-
	-	1,285,066	(2,016,458)	99,392	(632,000)
<b>RESTRICTED FIXED ASSET FUNDS</b>					
DfE/EFA capital grants	-	21,356	(12,815)	-	8,541
Assets transferred from Local Authority	-	11,986,980	(147,369)	-	11,839,611
	-	12,008,336	(160,184)	-	11,848,152
<b>TOTAL RESTRICTED FUNDS</b>	-	13,293,402	(2,176,642)	99,392	11,216,152
<b>UNRESTRICTED FUNDS</b>					
Unrestricted funds	-	903,212	(12,800)	(85,392)	805,020
<b>TOTAL UNRESTRICTED FUNDS</b>	-	903,212	(12,800)	(85,392)	805,020
<b>TOTAL FUNDS</b>	-	14,196,614	(2,189,442)	14,000	12,021,172

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

**General Annual Grant** - General Annual Grant must be used for the normal running of the Academy. The funding agreement does not include a limit on the GAG available to carry forward.

**Pension reserve** - The costs and income associated with the defined benefit pension schemes have been recorded in the restricted fund. Staff costs are paid from this fund including contributions to the LGPS and TPS, hence the pension liability has been aligned with these funds.

**Other DfE/EFA grants and Local Authority grants** - The Income includes Pupil Premium, PE Teachers grant, Summer school grants, high needs top up income and 16-19 School Funding, which was funded by the LA until Sept 15.

**Capital Expenditure from GAG** - The balance represents the total capital expenditure from GAG. Depreciation is charged to the fund over the life of the related assets

**Transfer of assets from Local Authority** - reflects the fixed assets acquired on conversion to an academy.

**EFA Capital Grant** - The income relates to capital funding which has been received from the EFA for utilisation on building improvements and refurbishments. It is anticipated that the balance of these funds will be utilised in full by the end of the current academic year.

**Unrestricted Funds** - Unrestricted funds can be used for any purpose, at the discretion of the Governors, within the objects of the academy trust.

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
Tangible fixed assets	-	-	11,839,611	11,839,611	-
Current assets	805,020	103,664	8,541	917,225	-
Current liabilities	-	(103,664)	-	(103,664)	-
Pension scheme liability	-	(632,000)	-	(632,000)	-
<b>TOTAL NET ASSETS</b>	<b>805,020</b>	<b>(632,000)</b>	<b>11,848,152</b>	<b>12,021,172</b>	<b>-</b>

## 16 FINANCIAL COMMITMENTS

### OPERATING LEASES

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

	2015 £	2014 £
Other:		
Expiring within one year	2,046	-
Expiring within two and five years inclusive	3,009	-
	<b>5,055</b>	<b>-</b>

## 17 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.

## 18 CAPITAL COMMITMENTS

	2015 £	2014 £
Contracted for but not provided for in the financial statements	-	-

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

19	RECONCILIATION OF NET INCOME TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES	2015 £	2014 £	
	Net income	12,007,172	-	
	Depreciation (note 11)	147,369	-	
	Capital grants from DfE/EFA and others	(8,658)	-	
	Transfer on conversion	(12,182,844)	-	
	Interest receivable	(250)	-	
	FRS 17 pension cost less contributions payable (note 23)	(32,000)	-	
	FRS 17 pension finance costs (note 23)	(5,000)	-	
	Increase in debtors	(90,766)	-	
	Increase in creditors	103,664	-	
	<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(61,313)</b>	<b>-</b>	
20	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	2015 £	2014 £	
	Interest received	250	-	
	<b>NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE</b>	<b>250</b>	<b>-</b>	
21	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	2015 £	2014 £	
	Capital grants from DfE/EFA	8,658	-	
	<b>NET CASH (OUTFLOW)/INFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>8,658</b>	<b>-</b>	
22	ANALYSIS OF CHANGES IN NET FUNDS	At 1 April 2014 £	Cash flows £	At 31 August 2015 £
	Cash at bank and in hand	-	826,459	826,459
		-	826,459	826,459

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 23 PENSION AND SIMILAR OBLIGATIONS

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

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

Contributions were payable to the schemes as follows at 31 August and are included within other creditors:

	2015	2014
	£	£
Teachers' Pension Scheme	16,353	-
Local Government Pension Scheme	11,531	-
	<u>27,884</u>	<u>-</u>

#### Teachers' Pension Scheme

The Teachers' Pensions 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. The TPS is an unfunded scheme and members contribute on a 'pay as-you-go' basis, and along with employers' contributions, are credited to the Exchequer.

#### Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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:

- Total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191,500 million
- Value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,600 million
- Assumed nominal rate of return is 5.06%
- Rate of real earnings growth is assumed to be 2.75%
- Assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings

During the year the employer contribution rate was 14.1%

The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015 and an employee cost cap of 10.9%. The employer contribution rate will be payable until the next valuation as at 31 March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £64,742.

Under the definitions set out in Financial Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme.

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

#### Teachers' Pension Scheme (continued)

Accordingly, the Academy Trust has taken the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy Trust has set out above the information available on the scheme and the implications for the Academy Trust in terms of the anticipated rates.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August was £208,000, of which employer's contributions totalled £168,000 and employees' contribution totalled £40,000.

<u>Principal actuarial assumptions</u>	2015 %
Rate of increase in salaries	3.6
Rate of increase for pensions in payment	2.1
Discount rate	3.8
Inflation (CPI)	3.8

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

	2015 Years
Retiring today:	
Males	23.1
Females	24.7
Retiring in 20 years:	
Males	25.1
Females	27.0

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

#### Local Government Pension Scheme (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the expected rate of return were:

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £'000
Equities	66.2	96
Gilts	3.6	5
Other bonds	11.6	17
Property	9.3	13
Cash	3.2	5
Alternative assets	6.1	9
<b>TOTAL MARKET VALUE OF ASSETS</b>		<b>1,447</b>
Present value of scheme liabilities		
- Funded		(2,079)
<b>SURPLUS/(DEFICIT)</b>		<b>(632)</b>

The actual return on the scheme assets was £57,000 loss (2014: £nil).

#### Amounts recognised in the statement of financial activities

	2015 £'000
Current service cost	136
Total operating charge	136
<b>Analysis of pension finance income/(costs)</b>	
Expected return on pension scheme assets	41
Interest on pension liabilities	(36)
Pension finance income/(costs)	5

The actuarial gains and losses for the current year are recognised in the SOFA.

The cumulative amount of actuarial gains and losses recognised in the statement of recognised gains and losses since the adoption of FRS17 is £14,000 (2014: £nil).

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

#### Local Government Pension Scheme (continued)

Movements in the present value of defined benefit obligations were as follows:	2015 £'000
Transfer on conversion	1,981
Current service cost	136
Interest cost	36
Employee contributions	40
Actuarial (gain)/loss	(112)
Benefits paid	(2)
At 31 August	<u>2,079</u>

Movements in the fair value of Academy Trust's share of scheme assets:	2015 £'000
At the beginning of the period	1,298
Expected return on assets	41
Actuarial gain	(98)
Employer contributions	168
Employee contributions	40
Benefits paid	(2)
At 31 August	<u>1,447</u>

The estimated value of employer contributions for the year ended 31 August 2016 is £346,000.

The five year history of experience adjustments is as follows:

	2015 £'000
Present value of defined benefit obligations	2,079
Fair value of share of scheme assets	1,447
Deficit in the scheme	<u>(632)</u>
Experience adjustments on share of scheme assets Amount £'000	<u>(98)</u>
Experience adjustments on scheme liabilities: Amount £'000	<u>-</u>



# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

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### 24 RELATED PARTIES

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, it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have 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.

The following related party transaction took place in the year. C Venosa (Trustee) provided consultancy services to the Academy relating to the School Improvement Plan. Payment of £2,000 was made in respect of these services, and settled before the period end. The transaction followed the Academy's procurement process, and the service was as recommended by the Local Authority. In entering the transaction the trust has complied with the requirements of EFA's Academies Financial Handbook.

### 25 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the period it received £29,975 and disbursed £30,081. A total of £106 was charged to income and expenditure in the statement of financial activities.

### 26 CONTINGENT LIABILITIES

In the event that during the period of the funding agreement, the Academy sells or disposes of any asset for which a capital grant was received, the Academy shall repay the same proportion of the proceeds of sale or disposal as equates with the proportion of the original cost met by the Secretary of State, unless the Secretary of State agrees to some or all of the proceeds being retained by the Academy for its charitable purposes.

### 27 ULTIMATE CONTROLLING PARTY

The Academy is a charitable company limited by guarantee, has no share capital and is controlled by its members.

# Trinity Academy Newcastle

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 August 2015

### 28 CONVERSION TO AN ACADEMY TRUST

The following School converted to Academy Trust status under the Academies Act 2010 on the following dates:

Predecessor School	Conversion Date	Local Authority
Trinity School	1 March 2015	Newcastle City Council
Trinity Solutions	1 March 2015	Newcastle City Council

All the operations and assets and liabilities were transferred to Trinity Academy Newcastle from Newcastle City Council 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/ loss in the Statement of Financial Activities as transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their

	Unrestricted Funds £	Restricted General Funds £	Restricted fixed asset funds £	TOTAL 2015 £
Budget surplus on LA Funds	866,166	-	-	866,166
LGPS pension deficit	-	(683,000)	-	(683,000)
Capital Budget Surplus	-	-	12,698	12,698
Fixed Assets	-	-	11,986,980	11,986,980
	<u>866,166</u>	<u>(683,000)</u>	<u>11,999,678</u>	<u>12,182,844</u>

The above net assets include £878,864 that was paid over in cash.

All leasehold properties transferred from the local authority were transferred on a 125 year lease.

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TRINITY ACADEMY NEWCASTLE AND THE EDUCATION FUNDING AGENCY

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In accordance with the terms of our engagement letter dated 3 December 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trinity Academy Newcastle during the period 1 March 2015 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Trinity Academy Newcastle and the EFA in accordance with the terms of our engagement letter dated 3 December 2015. Our work has been undertaken so that we might state to the Trinity Academy Newcastle and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trinity Academy Newcastle and the EFA, for our work, for this report, or for the conclusion we have formed.

### RESPECTIVE RESPONSIBILITIES OF TRINITY ACADEMY NEWCASTLE'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Trinity Academy Newcastle's funding agreement with the Secretary of State for Education dated 26 February 2015 and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### APPROACH

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

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TRINITY  
ACADEMY NEWCASTLE AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 March 2015 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*RSM UK Audit LLP*

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*18 December 2015.*