

Company Registration Number: 08089704 (England and Wales)

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	Trust in Learning Limited Mr G Rice Mr L Probert Mrs V Fitzgerald Mr D Howarth Ms J Pierce
Trustees	Mr A Baber ¹ Mr M Davies ^{1,2} Ms C J Jenkins Mr R G Opie Mr A M Osborn (resigned 14 March 2018) ^{1,3} Mr N J Peacey ¹ Mrs M E Peattie (resigned 10 October 2018) Mr L D Probert, Vice Chair ² Mr G J Rice, Chair ² Mrs H Salmon (resigned 22 March 2018) ² Ms J L Smith Ms J Walton (appointed 4 December 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 S Elliot, HR Director J Hinchliffe, Head Orchard School Bristol 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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

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)
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2018. 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 one all-through, one secondary and two primary academies in the City of Bristol. Its academies have a combined pupil capacity of 3,400 and had a roll of 3,066 in the school census on 1 October 2018.

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) 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.

Trade Union facility time

Facility time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. Under the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust as a relevant public sector employer is now required to collect and publish, on an annual basis, a range of data in relation to their employees who are trade union representatives.

In 2017-18 the Trust had 4 employees who were trade union representatives who spent less than 50% of their time on trade union activities. The total cost of facility time was £3,600 (0.05% of the Trust's total payroll).

Trustees' Indemnities

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

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

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

In accordance with the Articles of Association the sponsor (Trust in Learning) 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 2017-18 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 Trustees or Board of Directors review their own role and responsibilities in relation to being responsible for the objects of the Multi Academy Chain and the structure that has been established.

The Board of Trustees 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

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

The Board itself meets once each term. The Board establishes an overall framework for the LGB 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. A revised scheme of delegation was introduced in the later part of the year in order to reinforce the LGB's role in school improvement activity and quality assurance.

In order to ensure that the Board has proper oversight of the chain 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 of Trustees 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.

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

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 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. From 1 September 2018 the audit committee was merged with the Finance & Operations Committee.
- 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 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 TiLA.

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 chain, by the use of budgets and other data, and making major decisions about the direction of the Academy 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.

TiLA has a full time Chief Executive Officer who oversees and leads the multi academy chain and he is supported by a Finance & Operations Director; Human Resources Director and a number of teaching and learning consultants. 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 TiLA framework and they are accountable for their actions, decisions and outcomes.

The Finance & Operations Director for TiLA 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.

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TRUSTEES' REPORT (continued)
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Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year for acting as a trustee.

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

There is a fair and transparent reward structure for the key management personnel of the Trust, supported by a comprehensive and robust performance management scheme to ensure delivery against the Trust's challenging achievement and development targets.

The Trust sets pay levels for all Executives and Director posts following these principles:-

- Pay will be benchmarked with similar positions in MATs within the geographical area
- Pay will have regard for the benchmark pay within specific professions outside the education sector (i.e. Finance, IT, HR)
- Pay will have regard to the size and complexity of the Trust
- Extent of technical expertise or breadth of subject knowledge required to fulfil remit
- Breadth / scope of areas of responsibility
- Level of Impact of the role on the performance of Trust

Connected Organisations, including Related Party Relationships

Orchard School and Filton Avenue Primary School have established strong and sustainable links in North Bristol. They aim 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):

1. To provide free education for pupils of different abilities between the ages of 3 and 16.
2. 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 2018 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 4+ and 5+ at GCSE in English and Maths and to raise attainment in EBacc subject areas

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TRUSTEES' REPORT (continued)
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- 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 TiLA;
- 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.

The vision for TiLA 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 TiLA 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 2017-18 and the objectives and priorities being set in order to move the schools forwards:

a. Filton Avenue Primary School

In 2015 Filton Avenue Infant School merged with the adjacent Junior school to form Filton Avenue Primary School. 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. The school received an inspection from Ofsted and was graded as Requiring Improvement. A Post Ofsted Action Plan is in place that sets out clearly how the school will tackle those issues raised in the inspection. However, following the inspection outcomes have again showed significant improvement. In 2018 key outcomes have improved significantly showing year on year improvement. Key priorities for the coming year include:

- Ensure that expectations are high for all pupils – targets set for the school at the end of Key Stage 1 & 2 will be set at the top 20% of schools
- 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 TiLA 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.

b. Orchard School Bristol

Results for the school in 2018 have shown an improvement on the previous year. The GCSE progress measure for 2018 will place Orchard above the Department of Education floor target which demonstrates this improvement in standards. This school has had a new Headteacher for a year and she has renewed key members of her senior leadership team with the full support of the CEO and other members of the central team.

Key areas for the coming year will focus upon:

- Ensure that expectations are high for all pupils – targets set for the school at the end of Key Stage 4 will be set at the top 20% of schools
- 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 English
- 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
- 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

Following poor outcomes up to 2017, Bridge Learning Campus received an Ofsted inspection in May 2018 in which it was deemed Inadequate and that it had serious weaknesses. This was disappointing to the Campus and to the Trust, but the inspection report recognised the significant changes to leadership made by the Trust following 2017 outcomes and acknowledged that these changes were beginning to make a difference to expectations, practice and outcomes. However, it was too early to see the full impact of these changes.

Subsequently outcomes have improved at all key stages (see Achievements and Performance below). In particular the GCSE outcomes show that there has been considerable improvement in progress with the Campus above the national floor measure.

Recruiting a substantive headteacher has been difficult in 2017/18. Therefore the Trust has asked the CEO to provide some direct support; he has restructured the senior leadership team in order to provide the appropriate working structures and also to increase leadership and teaching experience.

Key areas for the coming year will focus upon:

- Ensure that expectations are high for all pupils – targets set for the school at the end of Key Stage 4 will be set at the top 20% of schools
- Improving the quality of leadership at the senior level
- Raising expectations amongst staff
- Ensuring successful practice in Early Years and Key Stage 1 is transferred into older year groups
- A clearer focus upon strategies to close the gap between pupil premium and non-pupil premium children
- Ensuring leaders understand impact: demonstrating a clear link between actions and impact
- A renewed focus upon reading and literacy via accelerated reader programmes
- 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.

d. Parson Street Primary School

Parson Street received an Ofsted inspection in 2018 and was judged as Requiring Improvement. This has led to significant refocusing on teaching practices led by the Headteacher and supported by the Central Trust Team.

The Headteacher has overseen significant change to the culture within the school and shifting minds and expectations. These are having an impact and again, as at Filton Avenue, the outcomes in 2018 at Key Stage 2 show significant improvement in reading, writing and in maths over the previous year. There has been some change to senior leadership and to the capacity of experienced teachers in the school which will have a positive impact moving forwards.

Key areas for the coming year will focus upon:

- Ensure that expectations are high for all pupils – targets set for the school at the end of Key Stage 2 will be set at the top 20% of schools
- 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 teacher feedback and marking
- Continuing to accelerate the improvement in 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 TiLA'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.

STRATEGIC REPORT

Achievements and Performance

Early Years and Key Stage 1:

The overall picture is that all settings are improving and demonstrating that their provision in Early Years is resulting in improved outcomes. Compared to Bristol and England these are good outcomes.

Filton Avenue Primary School and Bridge Learning Campus stand out in this respect but Parson Street also shows an upward improvement trend.

The table below provides the key data for Early Years and Key Stage 1 for 2018 and the trend from previous years:

Good Learning Development in Communication & Language; Physical Development; Personal Social and Emotional Development; Literacy and in Maths.

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EYFS: Good Level of Development

	Parson Street PS		Bridge Learning Campus		Filton Avenue PS	
	2017	2018	2017	2018	2017	2018
% GLD	57%	63%	69%	77%	65%	74%
Com & Lang	77%	74%	80%	88%	80%	86%
Physical Dev.	84%	83%	88%	90%	94%	90%
PSED	79%	79%	77%	93%	82%	87%
Literacy	60%	66%	69%	77%	66%	74%
Maths	71%	71%	75%	81%	67%	74%

All primary settings have shown good improvement in 2018 for Early Years provision and outcomes.

Phonics: Year 1 data

	National	Parson Street	Bridge	Filton
All	82%	84%	79%	85%
Boys	79%	85%	85%	81%
Girls	86%	82%	75%	88%
PPr	70%	78%	70%	75%
Not- PPr	84%	84%	79%	88%
SEN	44%	60%	56%	54%
Not-SEN	89%	87%	98%	89%

The chart above shows the strength of phonics – it is only Bridge Learning Campus that is behind National in 2018. There is a sustained and comprehensive programme of teaching to support phonics in each school.

Key Stage 1: Expected level of attainment

	National	PSPS	BLC	FAPS
RWM	61%	60%	72%	68%
Reading	76%	64%	82%	75%
Writing	68%	64%	76%	71%
Maths	75%	72%	81%	75%

Given their starting points the above outcomes at Key Stage 1 represent good progress in all schools and very good progress at Bridge and at Filton Avenue.

Key Stage 2: Expected level of attainment

	National	PSPS	BLC	FAPS
RWM	64% (Up 3%)	54% (up 18%)	57% (up 21%)	67% (up 27%)
Reading	75% (up 3%)	60% (up 12%)	57% (up 4%)	76% (up 20%)
Writing	78% (up 2%)	78% (up 14%)	84% (up 36%)	81% (up 15%)
Maths	76% (up 1%)	70% (up 23%)	78% (up 28%)	71% (up 18%)

This table shows the significant improvement made by all of the Trust's schools for end of Key Stage 2 (SATs) in 2018.

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Key Stage 4

Across the two secondary provisions outcomes were very poor in 2017 with both progress and attainment measures significantly low (OSB -0.61; BLC -0.87). This has improved considerably in 2018 with corresponding progress measures being -0.41 for OSB and -0.41 for BLC.

In addition, there was an improvement in overall attainment in both secondary settings.

Bridge Learning Campus	2016	2017	2018
% gaining English & Maths at Grade 4+	52%	26%	56%
% gaining English & Maths at Grade 5+		23%	26%
Progress 8 measure	-0.62	-0.87	-0.41
Orchard school			
% gaining English & Maths at Grade 4+	50%	46%	48%
% gaining English & Maths at Grade 5+		28%	25%
Progress 8 measure	-0.32	-0.61	-0.41

Other significant outcomes: Orchard School Single Sciences (Chemistry, Physics and Biology performed nearly a grade higher than national outcomes; and at Bridge combined Science outperformed national for grade 4 and grade 5 or better.

However there remains significant gaps in outcomes for pupil premium and higher ability pupils in both schools and therefore with we are targeting an increase in the number of students obtaining the higher grades at GCSE.

The picture for GCSE outcomes across the Trust is that whilst there are some clear areas of improvement overall there is still too much variation in outcomes in subjects often for the same pupils in the same school. This in-school variation is a major area to address for the 2018/19 year as is closing the gap between disadvantaged students and others.

Attendance in all of our schools has been a targeted area for some time. The Trust introduced a collective strategy to address the issue and in 2017/18 attendance in all of our schools has improved and is continuing to do so. For example, at Orchard School the overall attendance has risen by over 2% points during the 2017/18 academic year.

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 management accounts also include the cash position for each account and a weekly bank reconciliation is completed. Forecasts to the year-end are completed 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.

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FINANCIAL REVIEW

Financial Review

Most of the Academy Trust's income is obtained from the Department for education (DfE) via the Education and Skills Funding Agency (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 2018 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 2018, total expenditure of £18,050,212 (2017: £18,435,647) was covered by recurrent grant funding from the DfE, together with other incoming resources, of £17,483,261 (2017: £17,001,107). The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £566,951 (2017: £1,434,540).

At 31 August 2018 the net book value of fixed assets was £9,327,180 (2017: £8,702,667) 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 Special Education Needs (SEN) funding 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 our schools in previous years. The result is that all our schools are in a position to be able to move towards in-year balanced budgets next year.

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 £1,498,993 (2017: £1,674,173), which includes £182,368 (2017: £389,234) of General Annual Grant (GAG) reserves.

The Board understands that the current level of reserves is higher than we would normally wish to have as a Trust. However, the additional monies are being targeted to enable more rapid school improvement in our academies in addition to ensuring we continue to have a surplus capable of sustaining the Trust through 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

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financial capacity to support this growth.

The Trust collectively manages its reserves and the combined reserves can be used to support any school in the trust where need arises.

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 97% 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 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.

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 and 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.

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

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

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

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 TiLA 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

TiLA views employee engagement and communication as vital to its success. TiLA 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.

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 same risk register format is also used by the schools and 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.

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

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

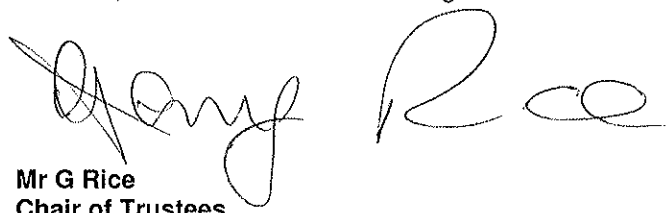
AUDITORS

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, was approved by order of the Board of Trustees, as company directors, on 5 December 2018 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	4	6
Mr M Davies	6	6
Ms C J Jenkins	4	6
Mr R G Opie	5	6
Mr A M Osborn	3	4
Mr N J Peacey	5	6
Mrs M E Peattie	5	6
Mr L D Probert, Vice Chair	4	6
Mr G J Rice, Chair	6	6
Mrs H Salmon	2	4
Ms J L Smith	5	6
Ms J Walton	4	6

Governance reviews:

The Board of Trustees of TiLA 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 (2018 19).

The Finance & Operations Committee is a sub-committee of the main Board of Trustees. 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	5	6
Mr M Davies	6	6
Mr N J Peacey	5	6
Mr A Everitt	6	6

The Audit Committee is also a sub committee of the main Board of Trustees. Its 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	0	2
Mr R Wellman	2	2
Mr N Fayers	2	2
Mrs A Marshall	2	2
Mr D Cousins	2	2

Following the resignation of the chair of the audit committee and a review of governance within the Trust, it was decided that from September 2018 that the remit and functions of the audit committee would be brought under the finance and operations committee to ensure a direct link to the Board.

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..

TRUST IN LEARNING (ACADEMIES)
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GOVERNANCE STATEMENT (continued)

- 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.
- Expenditure is monitored very closely and at the end of each week 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 and therefore we receive significant amounts of Pupil Premium funds. Targeted interventions are in place in all academies which 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.

From 2017 a more effective tracking system was introduced 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 is 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. The Trust works closely with other Multi Academy Trusts to aid school improvement, for example we have close links to the Cabot Learning Federation Teaching School. 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. The centralisation of the finance team means that it is now easier to arrange cross Trust purchases and use our size to secure better deals.

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 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 fifth year of operation.

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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of 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 and controls
- Fixed asset and depreciation schedules
- Review of central finance team processes.

On a regular basis, the 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.

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 5 December 2018 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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust Board of 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 2017.

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


Mr M Davies
Accounting Officer

Date: 5 December 2018

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

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

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 & 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:

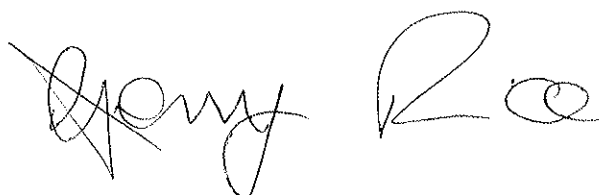
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:



Mr G Rice
Chair of Trustees

Date: 5 December 2018

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) (the 'Academy Trust') for the year ended 31 August 2018 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.

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 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

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

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 the financial year 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' remuneration specified by law are 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 or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

USE OF OUR REPORT

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



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:

14/12/18

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

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

In accordance with the terms of our engagement letter dated 27 August 2013 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trust in Learning (Academies) during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy 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 & 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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Joseph Scaife FCA DChA (Reporting Accountant)

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

Date:

14/12/18

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

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Donation on transfer/conversion	2	-	-	-	-	2,274,111
Other donations and capital grants	2	40,376	92,928	687,453	820,757	100,252
Charitable activities	3	580,954	16,555,804	-	17,136,758	17,281,411
Other trading activities	4	211,582	-	-	211,582	171,058
Investments	5	1,617	-	-	1,617	2,191
TOTAL INCOME		834,529	16,648,732	687,453	18,170,714	19,829,023
EXPENDITURE ON:						
Charitable activities		802,843	17,247,369	326,169	18,376,381	18,759,681
TOTAL EXPENDITURE	6	802,843	17,247,369	326,169	18,376,381	18,759,681
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		31,686	(598,637)	361,284	(205,667)	1,069,342
Transfers between Funds	19	-	(263,229)	263,229	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		31,686	(861,866)	624,513	(205,667)	1,069,342
Actuarial gains on defined benefit pension schemes	24	-	1,389,000	-	1,389,000	1,128,000
NET MOVEMENT IN FUNDS		31,686	527,134	624,513	1,183,333	2,197,342
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,269,939	(6,950,766)	8,702,667	3,021,840	824,498
TOTAL FUNDS CARRIED FORWARD		1,301,625	(6,423,632)	9,327,180	4,205,173	3,021,840

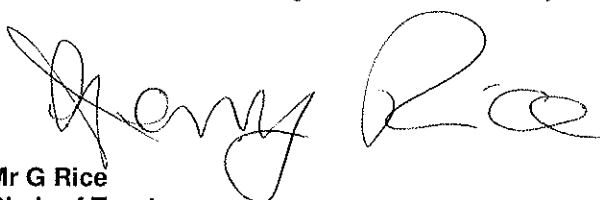
The notes on pages 31 to 55 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		9,327,180		8,702,666
CURRENT ASSETS					
Stocks	15	-		9,335	
Debtors	16	654,797		544,509	
Cash at bank and in hand		2,564,950		2,684,459	
		<u>3,219,747</u>		<u>3,238,303</u>	
CREDITORS: amounts falling due within one year	17	(1,720,754)		(1,564,129)	
NET CURRENT ASSETS			1,498,993		1,674,174
TOTAL ASSETS LESS CURRENT LIABILITIES			10,826,173		10,376,840
Defined benefit pension scheme liability	24		(6,621,000)		(7,355,000)
NET ASSETS			<u>4,205,173</u>		<u>3,021,840</u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	19	197,368		404,234	
Fixed asset funds	19	9,327,180		8,702,667	
Restricted funds excluding pension liability		<u>9,524,548</u>		<u>9,106,901</u>	
Pension reserve		<u>(6,621,000)</u>		<u>(7,355,000)</u>	
Total restricted funds			2,903,548		1,751,901
Unrestricted funds	19		1,301,625		1,269,939
TOTAL FUNDS			<u>4,205,173</u>		<u>3,021,840</u>

The financial statements on pages 28 to 55 were approved by the Trustees, and authorised for issue, on 5 December 2018 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 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	<u>87,176</u>	<u>(305,075)</u>
Cash flows from investing activities:			
Interest received		1,617	2,191
Purchase of tangible fixed assets		(950,683)	(339,327)
Capital grants		742,381	54,034
		<u>(206,685)</u>	<u>(283,102)</u>
Cash transferred on conversion to an Academy Trust:			
Cash on transfer/conversion		-	542,528
		<u>-</u>	<u>542,528</u>
Change in cash and cash equivalents in the year		(119,509)	(45,649)
Cash and cash equivalents brought forward	22	<u>2,684,459</u>	<u>2,730,108</u>
Cash and cash equivalents carried forward	22	<u>2,564,950</u>	<u>2,684,459</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 2018

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 2017 to 2018 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/donor and include grants from the Department for Education Group.

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

1.3 INCOME

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

Capital grants are recognised 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 there are no performance related conditions), where the receipt is probable and it can be reliably measured.

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

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

All expenditure is inclusive of irrecoverable VAT.

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.

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

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.7 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.

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

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.

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.

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

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

1. ACCOUNTING POLICIES (continued)

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 net income/expenditure 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.

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

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

1. ACCOUNTING POLICIES (continued)

1.15 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 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer on conversion	-	-	-	-	2,274,111
Donations	40,376	38,000	-	78,376	46,218
Capital grants	-	54,928	687,453	742,381	54,034
Subtotal	40,376	92,928	687,453	820,757	100,252
	40,376	92,928	687,453	820,757	2,374,363
Total 2017	447,135	(900,688)	2,827,916	2,374,363	

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

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	14,333,034	14,333,034	14,373,669
Start up Grants	-	9,167	9,167	11,330
Other DfE/ESFA grants	-	1,889,050	1,889,050	2,043,481
	-	16,231,251	16,231,251	16,428,480
Other government grants				
High Needs	-	182,059	182,059	200,007
Other government grants non capital	-	142,494	142,494	145,726
	-	324,553	324,553	345,733
Other funding				
Income for hosting trainee teachers	15,686	-	15,686	18,515
Sales to students	56,713	-	56,713	25,400
Educational visits and other income	117,313	-	117,313	129,760
Nursery income funded	391,242	-	391,242	333,523
	580,954	-	580,954	507,198
	580,954	16,555,804	17,136,758	17,281,411
Total 2017	507,198	16,774,213	17,281,411	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	43,156	-	43,156	40,273
Fees received	168,426	-	168,426	130,785
	211,582	-	211,582	171,058
Total 2017	171,058	-	171,058	

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

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

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	1,617	-	1,617	2,191
Total 2017	2,191	-	2,191	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Education:					
Direct costs	11,011,516	326,169	2,853,435	14,191,120	14,654,477
Support costs	2,380,065	466,077	1,339,119	4,185,261	4,105,204
	13,391,581	792,246	4,192,554	18,376,381	18,759,681
Total 2017	13,966,901	1,859,958	2,932,822	18,759,681	

7. DIRECT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	120,000	116,000
Educational supplies	1,323,712	1,179,189
Examination fees	110,616	102,622
Staff development	90,868	98,841
Educational visits and other costs	79,405	55,685
PFI costs	1,724,129	1,451,840
Technology costs	18,191	17,391
Wages and salaries	7,962,561	8,675,133
National insurance	793,185	827,562
Pension cost	1,642,284	1,806,180
Depreciation	326,169	324,034
	14,191,120	14,654,477
Total 2017	14,654,477	

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

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

8. SUPPORT COSTS

	Total 2018 £	Total 2017 £
Pension finance costs	73,000	65,000
Marketing and other costs	110,094	101,518
Recruitment and support	53,532	66,248
Maintenance of premises and equipment	238,679	154,146
Cleaning	27,092	83,939
Rent and rates	125,899	150,944
Energy costs	70,129	63,386
Insurance	59,610	72,746
Security and transport	4,278	4,931
Catering	308,977	287,277
Technology costs	150,094	151,006
Office overheads	134,781	129,436
Professional fees	402,839	394,173
Bank interest and charges	357	353
Governance costs	20,835	21,630
Wages and salaries	1,839,883	1,801,017
National insurance	142,400	139,326
Pension cost	422,782	418,128
	<u>4,185,261</u>	<u>4,105,204</u>
Total 2017		<u><u>4,105,204</u></u>

9. NET INCOME/ (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	326,169	324,033
Auditors' remuneration - audit current year	15,000	15,000
Auditors' remuneration - other services	2,450	2,450
Internal audit costs	1,500	6,765
Operating lease rentals	<u>708,413</u>	<u>711,620</u>

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

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

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	9,711,642	10,318,004
Social security costs	935,585	966,888
Operating costs of defined benefit pension schemes	2,065,066	2,224,308
	<u>12,712,293</u>	<u>13,509,200</u>
Restructuring costs	53,990	146,191
Apprenticeship levy	36,812	11,955
Supply teacher costs	588,486	299,555
	<u><u>13,391,581</u></u>	<u><u>13,966,901</u></u>

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

Included in staff restructuring costs is a non-contractual severance payment totalling £37,147 (2017: £5,000) and contractual redundancy payments of £16,843 (2017: £141,191).

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	179	189
Teaching support	165	167
Administration	60	91
Management	7	7
	<u>411</u>	<u>454</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	167	176
Teaching support	111	111
Administration	41	59
Management	7	7
	<u>326</u>	<u>353</u>

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

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

10. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	4	6
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	0	1
In the band £120,001 - £130,000	1	1

e. Key management personnel

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 £606,079 (2017: £669,886).

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 5% (2017: 3.6%) of total GAG funding.

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Filton Avenue Primary School	151,249	127,384
Orchard School Bristol	231,380	177,531
Bridge Learning Campus	230,407	209,512
Parson Street Primary School	102,062	69,022
	715,098	583,449
Total	715,098	583,449

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

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

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 £125,000 - £130,000 (2017: £120,000 - £125,000), Employer's pension contributions £20,000 - £25,000 (2017: £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 (2017: 1) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017: £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.

14. TANGIBLE FIXED ASSETS

	Long term leasehold land and buildings £	Motor vehicles £	Office equipment £	Computer equipment £	Assets under construction £	Total £
COST						
At 1 September 2017	8,874,568	12,414	313,480	634,679	35,849	9,870,990
Additions	789,262	-	59,649	98,146	3,626	950,683
Transfer between classes	35,849	-	-	-	(35,849)	-
At 31 August 2018	9,699,679	12,414	373,129	732,825	3,626	10,821,673
DEPRECIATION						
At 1 September 2017	538,081	12,414	164,139	453,690	-	1,168,324
Charge for the year	155,507	-	63,219	107,443	-	326,169
At 31 August 2018	693,588	12,414	227,358	561,133	-	1,494,493
NET BOOK VALUE						
At 31 August 2018	9,006,091	-	145,771	171,692	3,626	9,327,180
At 31 August 2017	8,336,487	-	149,341	180,989	35,849	8,702,666

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14. TANGIBLE FIXED ASSETS (continued)

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

	2018 £	2017 £
Uniform and educational supplies	-	9,335

16. DEBTORS

	2018 £	2017 £
Trade debtors	38,140	22,095
VAT recoverable	74,296	52,976
Other debtors	2,433	67
Prepayments and accrued income	539,928	469,371
	654,797	544,509

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	239,419	209,994
Other taxation and social security	218,912	245,059
Other creditors	221,964	270,774
Accruals and deferred income	1,040,459	838,302
	1,720,754	1,564,129

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	168,835	115,051
Resources deferred during the year	178,210	168,835
Amounts released from previous years	(168,835)	(115,051)
Deferred income at 31 August 2018	178,210	168,835

At the Balance sheet date the Academy Trust was holding funds received in advance for rates funding from September 2018 to March 2019; funding from the ESFA regarding Universal Infant Free School Meals; and income received in advance for trips taking place during the 2018-19 academic year.

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18. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	<u>2,937,225</u>	<u>3,182,198</u>
Financial liabilities measured at amortised cost	<u>1,184,058</u>	<u>945,945</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.

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19. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General Funds	1,269,939	834,529	(802,843)	-	-	1,301,625
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	389,234	14,033,034	(13,976,671)	(263,229)	-	182,368
High Needs funding	-	182,059	(182,059)	-	-	-
Donations	-	38,000	(38,000)	-	-	-
Pupil premium	-	1,527,925	(1,527,925)	-	-	-
Start up grant funding	-	9,167	(9,167)	-	-	-
Devolved formula capital	-	54,928	(54,928)	-	-	-
Play Equipment	15,000	-	-	-	-	15,000
Other LEA Grants	-	142,594	(142,594)	-	-	-
Other restricted funds	-	661,025	(661,025)	-	-	-
Pension reserve	(7,355,000)	-	(655,000)	-	1,389,000	(6,621,000)
	(6,950,766)	16,648,732	(17,247,369)	(263,229)	1,389,000	(6,423,632)
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion	7,366,643	-	(126,743)	-	-	7,239,900
Fixed assets purchased from GAG and other restricted funds	672,599	-	(149,370)	263,229	-	786,458
DfE/ESFA capital grants	647,398	687,453	(41,708)	-	-	1,293,143
LEA capital grants	4,275	-	(4,275)	-	-	-
Other capital grants	11,752	-	(4,073)	-	-	7,679
	8,702,667	687,453	(326,169)	263,229	-	9,327,180
Total restricted funds	1,751,901	17,336,185	(17,573,538)	-	1,389,000	2,903,548
Total of funds	3,021,840	18,170,714	(18,376,381)	-	1,389,000	4,205,173

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 £263,229 (2017: £319,980) 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.

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19. STATEMENT OF FUNDS (continued)

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. This year the Academy Trust received a CIF grant of £687,453 for refurbishment of the dining hall at Filton Avenue Primary School.

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 2018.

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Filton Avenue Primary School	343,220	357,134
Orchard School Bristol	(86,370)	(53,834)
Bridge Learning Campus	796,361	930,264
Parson Street Primary School	356,116	379,316
Trust in Learning (Academies)	89,666	61,293
Total before fixed asset fund and pension reserve	1,498,993	1,674,173
Restricted fixed asset fund	9,327,180	8,702,667
Pension reserve	(6,621,000)	(7,355,000)
Total	4,205,173	3,021,840

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	86,370

The Academy Trust is taking the following action to return the academies to surplus:

In 2016/17 Orchard School Bristol moved into a deficit position as a result of a reduction in pupil numbers up to 2016, although this has now begun to change and pupil numbers are now rising. The school carried out a large scale management of change exercise in 2016/17 in order to reduce costs and align income and expenditure.

A new Headteacher and experienced School Business Manager were put in place from September 2017 and they have been working hard to review the curriculum, staffing and budgets and move the school back to a surplus position whilst continuing to improve outcomes. The deficit position did worsen during the year due to some additional costs and a significant IT spend to help improve teaching and learning, however the school continues to be supported by the Trust through the use of its pooled reserves and we are satisfied that the school will return to surplus within the next two years.

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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 2018 £	Total 2017 £
Filton Avenue Primary School	2,543,578	294,304	251,255	599,361	3,688,498	3,766,903
Orchard School Bristol	3,661,472	583,305	241,398	333,888	4,820,063	5,220,200
Bridge Learning Campus	4,126,591	805,743	645,101	460,780	6,038,215	5,998,620
Parson Street Primary School	1,268,457	247,770	226,185	406,427	2,148,839	2,125,481
Trust in Learning (Academies)	275,118	281,943	23,178	103,358	683,597	604,462
	<u>11,875,216</u>	<u>2,213,065</u>	<u>1,387,117</u>	<u>1,903,814</u>	<u>17,379,212</u>	<u>17,715,666</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
GENERAL 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)
	<u>(6,244,457)</u>	<u>15,873,525</u>	<u>(17,402,854)</u>	<u>(304,980)</u>	<u>1,128,000</u>	<u>(6,950,766)</u>

TRUST IN LEARNING (ACADEMIES)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Balance at 1 September 2016 £	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
	<u>5,893,805</u>	<u>2,827,916</u>	<u>(324,034)</u>	<u>304,980</u>	<u>-</u>	<u>8,702,667</u>
Total restricted funds	(350,652)	18,701,441	(17,726,888)	-	1,128,000	1,751,901
Total of funds	<u>824,498</u>	<u>19,829,023</u>	<u>(18,759,681)</u>	<u>-</u>	<u>1,128,000</u>	<u>3,021,840</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	9,327,180	9,327,180
Current assets	1,251,625	1,968,122	-	3,219,747
Creditors due within one year	50,000	(1,770,754)	-	(1,720,754)
Pension scheme liability	-	(6,621,000)	-	(6,621,000)
	<u>1,301,625</u>	<u>(6,423,632)</u>	<u>9,327,180</u>	<u>4,205,173</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted 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>

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NOTES TO THE FINANCIAL STATEMENTS
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21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(205,667)	1,069,342
Adjustment for:		
Depreciation charges	326,169	324,034
Interest receivable	(1,617)	(2,191)
Decrease in stocks	9,335	2,775
Increase in debtors	(160,288)	(158,374)
Increase in creditors	206,625	213,819
Capital grants from DfE and other capital income	(742,381)	(54,034)
Defined benefit pension scheme obligation inherited	-	975,000
Defined benefit pension scheme cost less contributions payable	458,000	514,000
Defined benefit pension scheme finance cost	197,000	181,000
Assets and liabilities from Academy Trust/LA on transfer/conversion	-	(3,370,446)
Net cash provided by/(used in) operating activities	87,176	(305,075)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	2,564,950	2,684,459
	2,564,950	2,684,459

23. CAPITAL COMMITMENTS

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	120,000	-

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NOTES TO THE FINANCIAL STATEMENTS
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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 2013 and of the LGPS 31 March 2016.

Contributions amounting to £194,800 were payable to the schemes at 31 August 2018 (2017: £158,408) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £997,174 (2017: £1,121,489).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The

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24. PENSION COMMITMENTS (continued)

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 2018 was £840,000 (2017: £844,000), of which employer's contributions totalled £637,000 (2017: £641,000) and employees' contributions totalled £203,000 (2017: £203,000). The agreed contribution rates for future years are 11.2% - 15.4% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.20 %
Rate of increase in salaries	3.60 %	3.70 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.10 %	2.20 %

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

	2018	2017
Retiring today		
Males	23.6 years	23.5 years
Females	26.1 years	26.0 years
Retiring in 20 years		
Males	26.2 years	26.0 years
Females	28.8 years	28.7 years

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate +0.1%	(345,000)	(336,000)
Mortality assumption - 1 year increase	264,000	256,000
CPI rate +0.1%	353,000	343,000

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24. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	3,343,000	3,642,000
Government bonds	989,000	824,000
Corporate bonds	1,049,000	566,000
Property	793,000	647,000
Cash and other liquid assets	324,000	265,000
Other	2,029,000	1,413,000
Total market value of assets	8,527,000	7,357,000

The actual return on scheme assets was £367,000 (2017: £560,000).

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

	2018 £	2017 £
Current service cost	(1,095,000)	(1,155,000)
Interest income	178,000	122,000
Interest cost	(371,000)	(303,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	(4,000)	-
Total	(1,292,000)	(1,336,000)

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

	2018 £	2017 £
Opening defined benefit obligation	14,712,000	11,303,000
Transferred in on existing academies joining the trust	-	2,388,000
Current service cost	1,095,000	1,155,000
Interest cost	371,000	303,000
Employee contributions	203,000	203,000
Actuarial gains	(1,215,000)	(636,000)
Benefits paid	(22,000)	(4,000)
Losses on curtailments	4,000	-
Closing defined benefit obligation	15,148,000	14,712,000

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24. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	7,357,000	4,490,000
Transferred in on existing academies joining the trust	-	1,413,000
Interest income	194,000	122,000
Actuarial losses	174,000	492,000
Employer contributions	637,000	641,000
Employee contributions	203,000	203,000
Benefits paid	(22,000)	(4,000)
Administration expenses	(16,000)	-
	<u>8,527,000</u>	<u>7,357,000</u>
Closing fair value of scheme assets	<u>8,527,000</u>	<u>7,357,000</u>

25. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	693,393	699,507
Between 2 and 5 years	2,690,928	2,707,817
After more than 5 years	6,427,332	7,100,064
Total	<u>9,811,653</u>	<u>10,507,388</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. £9,790,992 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.

TRUST IN LEARNING (ACADEMIES)
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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 2018 Caroline Jenkins, a Trustee, provided services to the Academy Trust and was paid £24,800 (2017: £27,500). There was no balance outstanding at either year end.