

Company Registration No. 08449062 (England and Wales)

**TRINITY ACADEMY NEWCASTLE
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

TRINITY ACADEMY NEWCASTLE

REFERENCE AND ADMINISTRATIVE DETAILS

Members	P Carter K Meikle J Souter S Jeavons (resigned 26 November 2019) D Edmondson	
Trustees	S Elliott (Vice chair) W Curley (Accounting Officer) S Willmott Z Edmonds L Briggs M A Curtis N V Greenley P Carter (Chair) I Peel D Edmondson S Hall M McHugh (Appointed 12 November 2019) E Vinton (Appointed 28 February 2020)	
Senior management team		
- CEO	W Curley	
- Head of School (Business)	J Renwick	
- Executive Head Teacher	K Sharp (Resigned 4 December 2019)	
- Head of School	M Flint	
- Head of School (Teaching & Learning & Post 16)	L McNally	
- Head of School	P Tully	
Company registration number	08449062 (England and Wales)	
Registered office	Condercum Road Newcastle upon Tyne NE4 8XJ	
Academies operated	Location	Principal
Trinity Academy Newcastle	Newcastle upon Tyne	M Flint
Trinity Solutions Academy	Newcastle upon Tyne	L McNally
Trinity Post 16 Solutions (Limited company)	Newcastle upon Tyne	L McNally
Trinity Academy New Bridge	Sunderland	P Tully
Independent auditor	RSM UK Audit LLP 1 St. James' Gate Newcastle upon Tyne NE1 4AD	
Bankers	Lloyds Bank PLC Grey Street Newcastle upon Tyne NE99 1SL	

TRINITY ACADEMY NEWCASTLE

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a trustees' report under company law.

The trust operates three academies and a private limited company.

- Trinity Academy Newcastle – Special Academy – Trinity Academy Newcastle educates learners aged 7-16, who have a Statement of Special Educational Needs or Education, Health and Care Plan for Social, Emotional and Mental Health (SEMH). Serving a regional wide catchment area. The Academy has a learner capacity of 160 and a roll of 176 learners in the school census in May 2019.
- Trinity Academy New Bridge – Special Academy – Trinity Academy New Bridge educates learners aged 11 – 18, who have a Statement of Special Educational Needs or Education, Health and Care Plan for Social, Emotional and Mental Health (SEMH). Again, serving a regional wide catchment area. The Academy has a learner capacity of 115 and a roll of 107 learners in the school census in May 2019.
- Trinity Solutions Academy – Post 16 Mainstream Academy provides vocational study programme for learners aged 16-19 serving a regional wide catchment area. It has a learner commissioned allocation capacity of 69, which includes 10 higher needs commissioned places and had a roll of 88 learners of the ILR return (R013 Return). Although the Academy was not at full capacity, the Academy has been working hard on improving learner numbers and the curriculum offer.
- Trinity Post 16 Solutions Limited – Private limited company - Specialist Post-16 Institution (SPI) offering bespoke educational programmes to 19-25 learners with learning disabilities (LLDD) learners serving a regional wide catchment area. It has a learner commissioned allocation capacity of 7 and had a roll of 14 learners on the ILR return (R013 return). The company has been actively working with the Local Authority throughout the year to increase learner numbers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

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

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details.

Members' liability

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

Trustees' indemnities

Members' and Trustees' indemnity provisions are detailed in Note 12 of the financial statements.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Method of recruitment and appointment or election of trustees

Articles of Association, 50-64 state:

50. The Members may appoint up to 3 Trustees.

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

50B. The total number of Trustees (including the Principal) who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

51. Not used.

52. Not used.

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

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

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

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

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

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

CO-OPTED TRUSTEES

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

60 – 64. Not used.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Policies and procedures adopted for the induction and training of trustees

Support of new trustees: -

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

New trustees will be provided with the following:

- The DfE's 'A competency Framework for Governance' guidance document',
- The DfE's 'Governance Book',
- Organisational Chart including staffing responsibilities,
- Last Ofsted reports,
- Copies of the latest Annual Reports,
- Copies of newsletters including Trustees Newsletters,
- Copies of the minutes from the three most recent Board meetings,
- A schedule of upcoming Board meetings,
- Details of committee meetings and their terms of reference (If they are committee members),
- The Code of Conduct for Trustees,
- Copy of the Terms and Holidays calendar,
- Contact details of the Chair, Clerk and Trust,
- New Trustees will receive any policies which relate to their responsibilities,
- Username/ Password to access emails, One Drive and Teams,
- Access to the NGA website and training.

We encourage all new Trustees to take up training opportunities – especially Induction – offered by Trustee Services and from the NGA (eLearning). The Governance and PA Officer records all Trustees Training. These records are updated on a half termly basis and published and discussed at all Board Meetings.

A mentor will do the following:

- Make contact with the new Trustee and welcome them onto the Board
- Arrange an informal meeting with the new trustee to offer a chance to ask questions
- Arrange for the new trustee to attend a site assembly or celebration event
- Provide the new trustee with a copy of the Trust's trustee pack
- Explain to the new trustee
 - How meetings of the Board are conducted
 - How to propose agenda items
 - The role of each committee of the Board
 - Child protection arrangements – the Board's role in relation to safeguarding and child protection
 - The relationship between the CEO and the Board
 - The actions to take if unable to attend a meeting
 - The importance of confidentiality and the steps that must be taken to ensure it
 - The layout of the buildings and grounds and any potential developments
 - Introduction to the farm and other vocational areas
 - How to organise visits and how to record findings

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Organisational structure

The Management structure consists of four levels; the Board of Trustees, 3 committees, Local Advisory Boards and MAT Executive Leadership Team. The aim of the management structure is to devolve responsibility via the Scheme of Delegation and encourage involvement in decision making at all levels.

The Board of Trustees has overall responsibility and is ultimately accountable for the academies within the Trust; they hold the Chief Executive to account.

Powers are delegated from the Board via the Trust's scheme of delegation which is reviewed annually.

The Trustees, through Terms of Reference of the Board and its committees are responsible for the strategic direction of the Trust and its individual academies.

The Local Advisory Board undertakes a consultative role and advises the Chief Executive and the Board in respect of matters relating to each individual Academy/SPI.

Trinity Academy Newcastle Trust MAT Executive Leadership Team consists of the Chief Executive Officer, 4 Heads of School and Executive Headteacher. The Executive Team leads and manages the Trust at an Executive level, steering the direction of the Trust in line with strategic plans and developing opportunities.

Each organisations' Senior Leadership Team is responsible for the day to day operation, and in collaboration also support the wider network and objectives of the Trust.

The Executive Headteacher resigned his position in December 2019, this position is currently vacant.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees will ensure that executive pay and benefits, follows a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities.

No individual will be involved in deciding their salary.

The Board of Trustees will discharge its responsibilities effectively, ensuring its approach to pay and benefit is transparent, proportionate and justifiable, including:

- Process – that the procedure for determining executive pay is agreed by the board in advance and documented.
- Independence – decisions about executive pay reflect independent and objective scrutiny by the board and conflicts of interest are avoided.
- Decision-making – factors in determining pay are clear, including whether performance considerations, and the degree of challenge in the role, have been considered.
- Proportionality – pay is defensible relative to the public-sector market.
- Documentation – the rationale behind the decision-making process, including whether the level of pay reflects value for money, is recorded and retained.
- A basic presumption that non-teaching pay should not increase at a faster rate than that of teachers, in individual years and over the longer term.
- Understanding that inappropriate pay can be challenged by the ESFA, particularly in any instance of poor financial management of the trust.

These roles are managed by the CEO and are held to account accordingly. The CEO is held to account through Performance Management review directly with the Board of Trustees.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Related parties and co-operation with other organisations

There are no related parties which either control or significantly influence the decisions and operates of the Trust.

Trinity Post 16 Solutions Limited, a subsidiary company, was incorporated on 18 December 2015. Details of the subsidiary, including its results for the year, are included in note 14.

Trinity Academy Newcastle Trust are conscious of the need for any person who is responsible for governance within the organisation, or, who are employees of the organisation, to declare any relevant business or pecuniary interests and this is particularly the case with related party relationships. The following declarations were made by Trustees :-

P. Carter – Trustee – Blue Flames and Conference Centre Ltd
Z. Edmonds – Employee – The Big Lottery Fund
S. Elliott – Employee – PK Education
N Greenley – Member – Northumberland Child Protection Board
Emma Vinton – Governor – Newcastle Upon Tyne Hospitals – Employee - Public Health England
Michael McHugh – Chair of Board – Benton Scouts Executive Committee

During the year ended 31 August 2020 there were no transactions with these related parties.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the Trust is to advance education in the UK in particular by establishing, maintaining, carrying on, managing and developing its academies specially organised to offer a broad and balanced curriculum with strong emphasis on the specified specialisms of those academies.

The Trinity Academy Newcastle Trust is committed to the professional development of its Board of Trustees and staff team. Working to a strategic 3-year plan, with strong structures and a central focus on developing high quality teaching and learning, we are continuously improving and developing our service through high quality training for all and through a concerted drive towards distributed leadership and succession planning. Our commitment is evident through our high level of annual investment in training and development.

The Trust will set high standards for all, confident that all can experience success by:

Providing all students/learners an appropriate grounding in literacy and numeracy.

Prepare all students/learners for life. Delivering a planned exciting curriculum that looks at each child/young person as a whole person, preparing them for adulthood, relationships and the possibility that one day they may become a parent

Encouraging the development of learners' digital skills to broaden knowledge and wisdom, helping them to make informed life decisions.

The Trust will deliver high standards with a clear focus on a set of core principles that will ensure:

Excellence

Kindness

Honesty

Calm

Equality of opportunity

Successful leadership at all levels and from all parts of the Trust community

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Objectives, strategies and activities

The School Improvement Model

The Trust will commission a coherent package for school improvement which:

- Is tailored to each individual organisation and is in response to 'rich' contextual understanding of the challenges faced
- Brings about rapid improvement and builds capacity
- Is recognised as good practice
- Draws upon research and is supported by an evidence base
- Is provided by quality assured professionals who respect and build capacity and confidence
- Maximises the use of school to school support
- Articulates high expectations of teachers and learners

Objectives 2017-2020:

On our journey to deliver against the 3 year strategic objectives in 2017-20 we focussed on the following:

1. Developing leadership and management of Trinity Academy Newcastle Trust.
2. School improvement and effectiveness, including raising standards of educational achievement
3. Expand the number of academies in the Trust through collaboration and co-operation and through building its reputation for delivering high quality education

Objective	Performance
Developing Leadership and Management of TAN MAT	<p>The academy has a highly effective and responsive Board of Trustees that have a demonstrable impact, challenge and influence on key issues and outcomes.</p> <p>1. This was confirmed in the Ofsted monitoring report for Trinity Solutions Academy in September 2019, the report stated:</p> <p>Through targeted visits to lessons, effective data analysis and well-briefed local area board meetings, Trustees have reviewed the progress that leaders and staff have made in improving the mathematics curriculum and the progress that students make from their starting points. They have set challenging targets for future direction.</p> <p>Managers and governors have restructured the mathematics curriculum well.</p> <p>Partnership and support arrangements across the multi-academy trust have ensured that mathematics teachers get the support and challenge that they need to improve their teaching.</p> <p>2. 3 members of staff completed the NPQML</p> <p>3. Various CPD's attended by ELT and Directors targeted at MAT Development/Growth and Capacity as well as school improvement.</p> <p>4. CEO peer coaching.</p> <p>5. Directors commissioned an external Governance Review</p> <p>6. In line with the Trust objectives for growth, the Trust employed one Deputy Head Teacher to support school improvement priorities at Trinity Academy New Bridge and to provide capacity for future projects and school to school support.</p>

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

School improvement	<p>The Board of Trustees and Executive Leadership Team work together to ensure there are no unnecessary and onerous workload for ELT and all staff and have a streamlined self-evaluation cycle of reporting, monitoring and evaluation. The relationship between the leadership and accountability for school improvement at school and MAT level is clear and well understood by all. The MAT has opportunities for school leaders and staff to engage with and participate in development of school improvement initiatives at whatever point the school joins.</p>
Effectiveness	<p>TANMAT now has a coherent package for school improvement which is tailored to each individual academy and understands where it is on its school improvement journey; this may relate to culture, expectations of learners, leadership, governance, attendance, behaviour, teaching and learning, assessment or variability in performance. The model brings about rapid improvement, builds capacity and maximises the use of school to school support whilst articulating high expectations of both staff and learners. Ofsted monitoring report for Trinity Solutions Academy in September 2019, the report stated: Managers have increased the proportion of students who achieve their qualifications. They are working well to improve the way that they use information about students' achievements to evaluate the impact of the curriculum that students follow.</p>
Raising Standards of educational achievements of all learners	See achievements and performance section.
Expand the number of academies in the Trust	<p>Unfortunately the Trust were unsuccessful in the bid for two Free School applications although being successful at getting through to the interview stages for both applications. Our approach to growth has taken another direction and growing in numbers in all organisations within the Trust. We are still currently working to create a specialist hub within the North East area, expanding beyond being the leading provider in Newcastle for SEMH and opening a new facility to support a trauma based approach across the region through shared visionary, research and development work and effective collaboration.</p>

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Public benefit

In exercising its powers and duties the Trust has complied with its duty to have due regard to the Charity Commissions' guidance on Public Benefit. The main public benefit delivered by the Trust is the provision of a high quality of education to its students / learners. This has been evidenced through the results achieved and feedback from external assessments and partnerships.

STRATEGIC REPORT

Achievements and performance

During the period 1st September 2019 to August 2020, the Trust underwent one Ofsted Monitoring Visit for Trinity Solutions Academy. The visit went well, acknowledging that Trinity Solutions Academy made reasonable progress in addressing the main areas for improvement identified at the previous inspection. Key messages within the report include-

Managers have increased the proportion of students who achieve their qualifications.

Attendance is now consistently high.

Students have access to a broad and rich curriculum that provides them with the knowledge, skills and behaviours that they need to develop, understand and apply.

Over three quarters of students go on to employment, further education or training at the end of their studies. This is the same proportion as last year. The number of students going on to an apprenticeship has increased.

The Trust has been successful in securing Capital Improvement Funds from the Educational and Skills Funding Agency (ESFA) for Trinity Academy New Bridge. This has resulted in enhancing and developing the academy's security, through installing additional stronger fencing around the site and installing more secure barriers at the entrance of the site.

The Leadership Team has continued to work relentlessly in embedding digital technology into the classroom, as well as introducing remote learning. To assist with the remote learning, the Trust has heavily invested in technology such as Dell tablets for all learners and staff.

Safeguarding continues to be a priority for the Trust however, during this academic year it has proven to be a different kind of challenge ensuring the safety and well-being of our young people during a global pandemic.

We have been able to successfully develop new processes in line with the changes in Government Guidelines to ensure that we have kept our vulnerable young people safe. Safeguarding policies have been updated regularly to reflect the rapidly changing information that schools received. We were able to successfully respond to the need to share information with parents/carers to support them with online safety through regular daily/weekly phone calls and our social media platforms, which gave parents lots of information to support their children. The Safeguarding Teams were tenacious in making daily calls to our most vulnerable students who were known to Children's Social Care. The team were able to rapidly contact social workers if they had a concern or if parents were seeking support. The team were also able to quickly adapt their practice to ensure continued attendance at multi agency professional's meetings throughout the lockdown period. We were also able to give parents/carers support during all school holidays by providing a mobile number for the Trust Safeguarding Lead if they felt they needed support.

The Trust were able to produce individual risk assessments for every student that we have, in line with Government Guidelines to ensure that families felt safe for their child to attend school if appropriate to their situation. The Heads of Schools and the Trust Safeguarding Lead worked closely with the appropriate Local Authorities to ensure that good practice was shared.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

The past year has been effective in strengthening the impact of the Parenting agenda. Process around evaluating and supporting staff wellbeing have been applied, including the introduction of offering staff wellbeing days (1 per term to all staff).

The effectiveness team of parenting leads has been improved through Emotional Intelligence and Mental Health First Aid Training. Due to COVID 19, many of the interventions applied to assist in student mental health could not be evaluated; however, this did provide the trust the opportunity to inform local practice by answering questions on an educational panel and presenting a teach talk for Schools North East, whilst taking part in Podcast for the ACE network to discuss supporting learners back into education. Lastly, to fully explore the development of a trauma recovery centre, a working group was created to discuss critical features such as nurture groups, a trauma informed environment and restrictive interventions.

During the lockdown, the Trust commissioned an external review of the Trust Covid 19 Risk Assessment where the organisation provided validation.

Trinity Academy Newcastle

Attendance – 57% of our students have improved their attendance since joining the Academy.

Behaviour – 2% reduction in bullying – only 19 reported incidents in the academic year.

KS4 Outcomes – 73% achieved a qualification in English and Maths.

KS2 Outcomes – No data available due to the DfE cancelling SAT's

Pupil Premium – The average number of qualifications gained by learners eligible for Pupil Premium (Avg. 5) is higher than that of their counterparts not eligible (Avg. 4).

Trinity Academy New Bridge

- Attendance – 36% of our students have improved their attendance since joining the academy.
- Behaviour – Behaviour incidents reduced each term from HT1 to HT3 by 49% with stage 1 behaviours reducing by 54%. Overall disruption also continued to reduce throughout the year.
- KS4 Outcomes – 70% achieved a qualification in Maths and English.
- Pupil Premium – The average number of qualifications gained by learners eligible for Pupil Premium (Avg. 4) is equivalent that of their counterparts not eligible (Avg. 4).

The outcomes for 19/20 suffered greatly as a result of the pandemic. Trinity Solutions Academy and Trinity Post 16 Solutions Limited are committed to ensuring every learner has the opportunity to finish what they started in 19/20, therefore our data for 19/20 will be published in January 2021.

The data below reflects the position before Covid 19 Spring 2.

Trinity Solutions Academy

- Attendance – Trinity Solutions Academy achieved 81.6% attendance.
- Retention – 96% retention rate, a significant improvement compared to previous years.
- Core aim achievement – 64% achieved their core aim.

Trinity Post 16 Solutions Limited

- Attendance – Trinity Post 16 solutions achieved 93% and 100% for our supported interns programme attendance.
- Retention – 100% retention rate.
- Core aim achievement – 64% achieved their core aim at TPSL.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

Financial review

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets. In accordance with 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) (Effective 1 January 2015) (SORP 2015), such grants 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 expected useful life of the asset concerned. During the year, £32,441 was received in respect of Devolved Formula Capital grants and £265,002 received in respect of Condition Improvement Funding.

Trinity Post 16 Solutions Limited was incorporated on 18 December 2015 as a trading subsidiary of the Trust, being a DFE requirement post-conversion to allow the continuation of Post 19 education. Although the Limited Company was incorporated in 2015, the company did not start trading until August 2016. The directors of the Limited Company agreed that any surplus as of 31 August 2020 will be gifted to Trinity Solutions Academy.

During the year ended 31 August 2020 total income of £7,097,233 (2019: £12,713,262) was received and total expenditure of £7,279,315 (2019: £6,660,672) was incurred. The excess of total expenditure over income for the year, including actuarial losses, was £783,082 (2019: £5,073,590 excess income, which included a £6,617k donation of Trinity Academy New Bridge into the Trust).

Financial and risk management objectives and policies

Reserves policy

The Trusts Reserves Policy has been prepared with reference to the following documents: Charities and Reserves (CC19) from the Charities Commission; ESFA Academies Financial Handbook and the ESFA Accounts Direction. The policy also takes consideration to key factors around the management of public funds, consideration of the Trusts principal risks and uncertainties, ensuring the Trust have the resources required to deliver school improvement and its core aims, whilst ensuring value for money is met.

The key policy principles that underpins the Trusts approach are:

- The Trust will set a balanced in year revenue budget every year.
- The Trust's reserves balance should only decrease due to capital investment and/or other organisational needs which shall at all times be approved by the Finance, Audit and Resources Committee.
- All reserves are Trust reserves; however, individual Academy reserves balances will be reported for the purpose of statutory accounting.
- The Trusts general reserves balance may be comprised of restricted or unrestricted reserves.

The Board reviews the reserve level of the academies annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Board has determined that the appropriate level of free reserves should be equivalent to three (£1,257K) to six months' (£2,515K) Trust salaries - Average Monthly Trust Salary £419K (Taken from Predicted Salary Costs for 20/21 not including Supply Costs etc.).

The Trust's current level of free reserves (before fixed asset fund and pension reserve) are £1.430k. (2019: £1,023K). The Trust currently holds just over five months Trust salaries including supply salaries.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

As the free reserves are higher than the target reserves, the Board has committed the following reserve expenditure, against a review of the Trusts priorities and strategic plan.

2019 – 2020 - £420k – Free reserves for £110k MAT Development, £60k ICT investment, £100k Curriculum/ Restructure Review and £150k Premise Development Investment including Asbestos Removal.

These commitments will aid the Trusts growth whilst alleviate pressure from the annual academies premises budget. Also, assist the Trust with bringing Digital Skills/ Capability to the forefront of Teaching and Learning.

These commitments will be reviewed annually and the Directors reserve the right to amend the reserve levels/ commitments in the interest of the Trust.

Investment policy

The Trust operates an interest bearing current account with Lloyds bank as approved by the Board of Trustees. Sufficient balances are maintained to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including sufficient contingency for unexpected payments.

Key performance indicators

The key financial performance indicators of the Trust relate to the effectiveness of the use of funds for the benefit of the education of children. The key non-financial performance indicators to the Trust relate to the achievements and performance of its students. Please see the achievements and performance section for further details.

The Trust, where available, uses benchmarking opportunities to ensure that performance indicators, financial, environmental and employee matters are reviewed annually and any areas for development are addressed. The Trust also makes use of comparative data provided by the Educational and Skills Funding Agency (ESFA) and the Local Authority.

Trinity Academy Newcastle Trust is pleased to report that all of the academies within the Trust are continuing to make good progress towards the key achievement and performance areas during 2019-2020.

In relation to the Trust's exam results, three in every four learners left KS4 with an English and Maths qualification. The remaining (1 in 4) have been supported and plan to continue their education and achieve this in KS5, along with other qualifications that will enable them to progress onto the next stage of their lives - further education, training or employment.

Following the Trust's external Financial Efficiency and Integrated Curriculum and Financial Planning Review in academic year 18/19, the Trust continues to review the recommendations and potential savings. During academic year 19/20, the Trust increased its contact ratios and reduced its headroom for Trinity Academy Newcastle and Trinity Academy New Bridge in line with the Boards expectations and report recommendations.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

The key non-financial performance indicators of the Trust relate to the achievements and performance of its students. The measures used to assess achievements and outcomes are:

FFT (Key stages 2 & 4)
IDSR
Trackers / End of unit assessments
External Assessment Tools (Doddle, ForSkills, Fagus etc.)
QAR

Going Concern

In considering the going concern assumption of the group, the Board of Directors have considered the five-year forecasts in place and the current level of cash and free reserves. Forecasts have been reviewed in light of Covid-19 and the assumptions considered for appropriateness. The forecasts indicate that the trust has sufficient cash and funds to operate for at least the next 12 months, with headroom on cash and available reserves.

Therefore, the Trust has continued to adopt the going concern basis in preparing the financial forecasts. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Plans for future periods

Our approach will be to:

- Grow steadily (Sponsored and Free Schools) in a measured and considered fashion and expand the number of academies in the Trust through collaboration, co-operation and building its reputation for delivering high quality education, access to shared central services and economies of scale.
- To create a specialist hub within the North East area, expanding beyond being the leading provider in Newcastle and supporting neighbouring Local Authorities through shared visionary, research and development work and effective collaboration.

Principal risks and uncertainties

The Trust is subject to a number of risks and uncertainties in common with other academies and has in place procedures to identify record and mitigate all risks including financial risk.

A review of the risks faced by TANMAT was conducted and systems established to mitigate those risks. TANMAT has identified the major risks it faces and has documented these within its Risk Register; this is reviewed termly by its Trustees. The Trustees are also fully apprised between meetings of any issues that may impact upon the management of risk.

This review provided recommendations for where the Trust could strengthen some of its systems and internal controls which have been implemented throughout the year. Further reviews will continue into 2020/21 to help identify any other areas in which the Trust may be able to implement an improved control environment.

The Trust has a number of policies and procedures in place to mitigate the likelihood and impact of identified potential risks.

Outlined below is a description of the principal risk factors which may affect the Academy Trust. Not all factors are within the Academy Trust's control. Other factors besides those listed below may also adversely affect the Academy Trust.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

The principal uncertainty relates to the risk of the possible lack of capacity to successfully deliver on Trust objectives, deliver school improvement in sponsored academies and key personnel. To mitigate this risk during the year, the Trust invested in the development of key middle and senior leaders, introducing the roles of Assistant Head Teacher in two of its academies. Following the review of the succession plan, and subsequent resignation of the newly appointed Executive Head Teacher, the Board are currently reviewing the succession planning policy.

Another key risk is that a new joining academy is in difficulty and does not improve. This could have a negative impact on sponsor reputation and opportunity for the Trust to grow. Existing controls include: Effective school improvement process and support in place including Self Evaluation Cycle, the School Improvement Plan and the processes that result in their implementation, monitoring and review. A new Local Advisory Board has been established to support with the above.

Growing the Trust remains a key risk to the organisation; although the Trust has not been successful in increasing the number of joining academies this academic year, this has been mitigated by the continuous growth in learner numbers in all of its current academies. Working in partnership with the Local Authorities, the Trust have been instrumental in addressing the current growing needs of the LA's on SEMH places and we continue to discuss future needs and developments.

The principal risks that relate to academic performance, cover all areas of teaching and learning, safeguarding and provision of facilities. The Trust has a number of improvement plans, and a robust performance management strategy to mitigate these risks.

Key financial policies have been adopted and reviewed throughout the year. These detail the framework for financial management, including financial responsibilities of the Board, CEO and budget holders, as well as outlining the authority for spending. Finances are reviewed throughout the year by the finance, audit and resources committee, evaluating performance against budgets and overall expenditure. Finances are also reviewed monthly by the Chair, discussed weekly between the CEO, CFO and SBM and discussed fortnightly between the CEO, Chair and Vice Chair.

COVID-19 was identified as a major risk factor this academic year and several systems of mitigation were established i.e. Leadership and Governance, finance, health & safety compliance, safeguarding, closure and lockdown.

Controls included:

Trust COVID-19 Risk Assessments and Customised Academy Contingency plans were developed for any partial closure/local lockdown and re-opening; these included appropriate measures for Health & Safety, safeguarding, curriculum and resource.

During the period of COVID-19 school closure/local lockdown and re-opening, the school continued to demonstrate that it was exercising appropriately its duty for Health & Safety and safeguarding. All guidance provided by DfE was implemented appropriately and timely. CEO ensured regular contact with Chair of the Board and board meetings and monthly management account meetings continued as normal, virtually. A decision making log was introduced & scheme of delegation remained in place. Regular communication of key messages to staff with a focus on

- outlining the extra risks involved of working from home,
- handling data securely, and other security measures
- reminding staff on how to report any potential breach.

Fundraising

Trinity Academy Newcastle Trust periodically carries out in house fundraising activities such as raffles, in order to raise funds for key purposes such as developing the farm or school residential trips. The Trust ensure that they are compliant with their legal duties and are in line with financial guidance. The Trustees are responsible for monitoring any fundraising that is undertaken within the year from all of its academies.

Funds held as custodian trustee on behalf of others

There are no funds held as Custodian Trustee on behalf of others.

TRINITY ACADEMY NEWCASTLE

TRUSTEES' REPORT (CONTINUED)

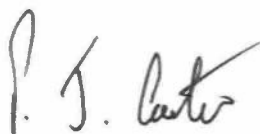
AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditor

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

The Trustees' report is approved by order of the board of directors and the Strategic Report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 8th December 2020 and signed on its behalf by:



.....
P Carter
Chair

TRINITY ACADEMY NEWCASTLE

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board has delegated the day-to-day responsibility to the CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Trinity Academy Newcastle Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 6 times during the year. Attendance during the year at meetings of the board of directors was as follows:

Trustees	Meetings attended	Out of possible
S Elliott (Vice chair)	3	6
W Curley (Accounting Officer)	5	6
S Willmott	5	6
Z Edmonds	6	6
L Briggs	4	6
M A Curtis	6	6
N V Greenley	0	6
P Carter (Chair)	6	6
I Peel	4	6
D Edmondson	0	6
S Hall	5	6
M McHugh (Appointed 12 November 2019)	6	6
E Vinton (Appointed 28 February 2020)	3	4

Governance reviews

During Academic year 19/20, TANMAT had a few changes to the composition of its Members and Board of Trustees. S Jeavons resigned as a member on the 26th November 2019, M McHugh was appointed on the 12th November 2019 and E Vinton was appointed on the 28th February 2020, however resigned on the 31st August to become a member as of the 1st September 2020.

Due to the covid situation, the Board of Trustees agreed in March for all meetings to be conducted virtually until further notice.

Following the appointment of the full time Governance and PA Officer, the Officer was successful in completing the Clerk Programme during the academic year.

The Trustees with the assistance from the MAT Clerk continue to formulate their self-evaluation cycle (which includes their schedule of meetings) during the Spring Term for the following academic year, with a view to ensuring effective and robust communication between the tiers of governance. These tiers of governance provides overview, scrutiny and challenge on the performance of the Trust both financial and educational, risk management and ensuring that the Trust complies with the necessary law, regulations and guidance.

The Board of Trustees monitor, analyse and challenge a range of key performance data both financial and educational through the delivery of data presented and supplied for meetings.

TRINITY ACADEMY NEWCASTLE

GOVERNANCE STATEMENT (CONTINUED)

Trustees are effective in discharging their responsibilities in ensuring effective use of public funds and providing value for money for all funds expended through highly effective financial scrutiny throughout the year.

The Board continues to review the effectiveness of its LAB'S/ committees and how they interact and inform the main Board.

The Board has a continuous improvement mind-set, which includes continuing to refine the focus, which allows the Board to manage and challenge the Senior Leaders robustly. The Board is also mindful of skill gaps and invests in recruitment, training and expert advice according. During the academic year, the Board has invested in the NGA online training platform, Schools North East Partner training and safeguarding first training.

The Finance, Audit & Premises Committee is a sub-committee of the main Board of Directors. The responsibilities of the Finance, Audit & Premises Committee are but not limited to:

- Reviewing the Trusts consolidated budget, central budget and three-year financial plan, as well as making recommendations to the board of directors regarding these key documents.
- Approving the annual budget for each academy.
- Regularly monitoring expenditure and income against the budget and making any recommendations to the Board of Directors.
- Reviewing the mandates for the operation of academy bank accounts and credit cards.
- Ensuring appropriate insurance arrangements are in place for the Trust.
- Implementing appropriate accounting policies.
- Ensuring an appropriate framework of internal financial controls is established.
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and related ESFA guidance.
- Authorising changes to the personnel structure of each academy.
- Writing off bad debts over £100.
- Acting as the audit committee for the Trust and reviewing reports on the effectiveness of the financial procedures and controls of the Trust.
- Authorising the disposal of assets and authorising formal tenders.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
S Elliott (Vice chair)	7	8
W Curley (Accounting Officer)	5	8
S Willmott	7	8
M A Curtis	8	8
P Carter (Chair)	8	8
I Peel	8	8
M McHugh (Appointed 12 November 2019)	7	7

The Educational and Curriculum Committee is also a sub-committee of the main Board. The responsibilities of the Educational and Curriculum Committee are:

- Curriculum Policies
- Learner Wellbeing
- Attendance
- Teaching and learning
- Pupil Premium
- LAC
- Assessment and Attainment
- Learner results
- Curriculum and Timetable

TRINITY ACADEMY NEWCASTLE

GOVERNANCE STATEMENT (CONTINUED)

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
W Curley (Accounting Officer)	2	3
Z Edmonds	3	3
L Briggs	2	3
M A Curtis	3	3
P Carter (Chair)	2	2
S Hall	1	3
E Vinton (Appointed 28 February 2020)	2	3

Review of value for money

As accounting Officer, the Chief Executive has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands the 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 Trusts use of its resources has provided good value for money during each academic year, and reports to the Board where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

Governance Review

Newcastle City Council reviewed the Board's effectiveness through conducting an Internal Audit on Governance in spring 2020, the review focused on the MAT structure, Skills Audit, knowledge of the academies, challenges the Board faced and preparation for Ofsted.

Following this review, the Trustees took the decision to amend the MAT structure to include Local Advisory Boards (LAB's). The Board of Trustees agreed for the LAB's to consist of a group of people who would include parents, local trustees, community nominees, or academy staff, with a minimum of five and a maximum of nine people. The Board also agreed the roles/tasks of the LAB's, which includes-

- Act as a key link between the Academy, parents and local community;
- Supports the work of the Academy in the community;
- Supports the Head of School and Academy Leadership Team in the development and implementation of the Academy Development Plan and other relevant plans, ensuring that the TANMAT ethos remains at the heart of the Academy community;
- Helps on the ground with the implementation of certain Academy policies;
- Offers challenging but positive and proactive support to the Head of School;
- Regularly reviews the Academy's performance in relation to the KPIs (Key Performance Indicators).

The Board of Trustees reviewed and amended the Scheme of Delegation to reflect the new Local Advisory Boards and produced a Local Advisory Handbook, which is available from the Trust.

During the Summer Term, the Board of Trustees agreed to conduct the governance review for academic year 20.21 as a self-evaluation review, starting in the Autumn Term with a skills audit of the current Board.

TRINITY ACADEMY NEWCASTLE

GOVERNANCE STATEMENT (CONTINUED)

Improving Educational Outcomes

During the year, the Trust ensured educational outcomes improved for learners by achieving the following:

- Offering an exciting and diverse curriculum ensuring all learners have had the opportunity to raise their individual levels of attainment.
- Learners accessed specialist equipment, provision of vocational opportunities and work experience, along with bespoke alternative education where necessary.
- Learners accessed outdoor education as part of a broad and balanced curriculum, which helped to increase attendance.
- The Trust has offered learners exciting Power of Choice incentive, to assist with learner behaviour and attendance.
- Delivering high quality Continuing Professional Development to staff focusing on common areas of improvement and interest aimed at improving the quality of leadership and teaching.
- The Trust has continued to operate the Business Enterprise Training, to assist with increasing self-generated income and to offset some of the Trusts CPD expenditure.
- The Trust also continued to offer and deliver Pre 16 alternative education to other schools, Academy's and authorities. These funds assisted in offsetting salaries and educational costs. Financial Performance

The Trust ensures a constant focus on best value for money and clearly understands the importance of the efficient and effective use of its resources. The Trust has a detailed financial policy, which promotes fair competition through quotations and tenders. Where possible, the Trust initially refers to the Deal for Schools or the EA16 Central Government procurement to determine whether the Trust could get better value for money. As well as consolidating purchases wherever possible across the Trust to ensure economies of scale are obtained. Examples include-

- ICT Equipment such as Dell tablets – Purchased through the EA16 Central Government procurement.
- Clinical Waste – Consolidated purchase for the Trust through Crescent Purchasing Consortium.
- Supply Rates - Renegotiated daily rates of pay for supply staff.
- Premise Developments – The Trust went through a full tender process for the CIF project and for other developments, the Trust obtained two-three written quotations.
- Contracts – Renegotiated Trust contracts to consolidate the contracts for the Trust such as Maintenance contracts and where possible aligned these contracts in line with the academic year. The Trust also took part in a local tendering exercise with other schools in the area for the purchase of the Trusts ICT managed service.

Impact of Covid 19

The COVID 19 virus has affected the Trust and its academies since March 2020. Although our Special Academies and SPI remained opened to learners who were able to attend site, educational expenditure was lower than predicted. As the sites were still operating, the Board of Trustees agreed for the Trust to continue with the supply staff assignments through to the summer.

The Trust reviewed and considered where appropriate, the procurement policy notes and had to seek legal advice concerning alternative education provisions and Post 16 Provider payments. The Board of Trustees were concerned that a large majority of our learners were disadvantaged and made the decision early on that the Trust would provide Free School Meals vouchers through ASDA instead of using the government scheme. However, the Trust did decide to move to the government schedule in July for the Summer Holidays Free School Meals vouchers. The Trust also with consultation with all stakeholders decided to offer education to vulnerable learners during Easter and May half term. Whilst also offering learners the opportunity to attend a two-week summer school programme with a recovery focused agenda.

The Board of Trustees were mindful in the Summer Term of a possible second wave or local lockdown and decided to move planned reserves forward to academic year 19/20 to purchase digital technology for all learners and staff.

TRINITY ACADEMY NEWCASTLE

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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Trinity Academy Newcastle for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

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 directors;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor.

The Trust has procured specific reviews based on risks and these have been reported to the Finance, Audit & Premises Committee. In particular, the reviews carried out in the current period included:

- Governance – Newcastle City Council
- GPDR - RSM Risk Assurance Services LLP
- Financial System Check – RSM Risk Assurance Services LLP
- Covid 19 Risk Assessment – Gallagher

The organisations carrying out the assurance reports to the Board of Directors, through the Finance, Audit & Premises Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities. All schedule of work is agreed by the Board in the Summer Term for the following academic year and is linked to the Trusts risk register.

Any recommendations made following the reviews, are turned into an action plan and reviewed during the Finance, Audit and Resources Committee meetings until the committee has signed off the final action plan.

TRINITY ACADEMY NEWCASTLE

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the internal assurance report findings;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the Head of School (Business) within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

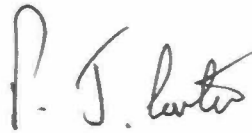
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit & Premises Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 8/12/2020 and signed on its behalf by:

W Curley
Accounting Officer



P Carter
Chair



TRINITY ACADEMY NEWCASTLE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Trinity Academy Newcastle, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with 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 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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.



W Curley
Accounting Officer

09.12.20...

TRINITY ACADEMY NEWCASTLE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Trinity Academy Newcastle for the purposes of company law) are responsible for preparing the trustees' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

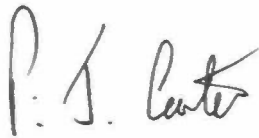
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that 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 on 8/12/2020 and signed on its behalf by:

P Carter
Chair



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY ACADEMY NEWCASTLE

Opinion

We have audited the financial statements of Trinity Academy Newcastle (the "parent charitable company") and its subsidiary (the 'group') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2019 to 2020 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 charitable company's affairs as at 31 August 2020 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2019 to 2020 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the 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 required to report that fact.

We have nothing to report in this regard.

Opinions 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 and the incorporated Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRINITY ACADEMY NEWCASTLE (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and the incorporated Strategic Report.

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

- 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 set out on page 24, the trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

L. Robson

Lucy Robson (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
NE1 4AD
.....1112120.....

TRINITY ACADEMY NEWCASTLE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
Income and endowments from:						
Donations and capital grants	3	-	-	297,443	297,443	272,009
Donations - Transfer of existing academy into the trust		-	-	-	-	6,617,462
Charitable activities:						
- Funding for educational operations	4	-	6,649,860	-	6,649,860	5,714,611
Other trading activities	5	148,388	-	-	148,388	107,645
Investments	6	1,542	-	-	1,542	1,535
Total		149,930	6,649,860	297,443	7,097,233	12,713,262
Expenditure on:						
Charitable activities:						
- Educational operations	8	17,851	6,816,658	444,806	7,279,315	6,660,672
Total	7	17,851	6,816,658	444,806	7,279,315	6,660,672
Net income/(expenditure)		132,079	(166,798)	(147,363)	(182,082)	6,052,590
Transfers between funds	17	-	(61,223)	61,223	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	24	-	(601,000)	-	(601,000)	(979,000)
Net movement in funds		132,079	(829,021)	(86,140)	(783,082)	5,073,590
Reconciliation of funds						
Total funds brought forward		1,022,876	(962,853)	17,584,547	17,644,570	12,570,980
Total funds carried forward		1,154,955	(1,791,874)	17,498,407	16,861,488	17,644,570

TRINITY ACADEMY NEWCASTLE

BALANCE SHEETS

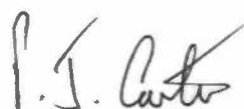
AS AT 31 AUGUST 2020

	Notes	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Fixed assets					
Tangible assets	13	17,301,597	17,301,597	17,448,704	17,448,704
Current assets					
Debtors	15	478,114	478,114	235,908	233,484
Cash at bank and in hand		3,141,962	3,141,962	3,074,294	3,074,294
		<u>3,620,076</u>	<u>3,620,076</u>	<u>3,310,202</u>	<u>3,307,778</u>
Current liabilities					
Creditors: amounts falling due within one year	16	(440,185)	(440,185)	(530,336)	(527,912)
Net current assets		<u>3,179,891</u>	<u>3,179,891</u>	<u>2,779,866</u>	<u>2,779,866</u>
Net assets excluding pension liability		<u>20,481,488</u>	<u>20,481,488</u>	<u>20,228,570</u>	<u>20,228,570</u>
Defined benefit pension scheme liability	24	(3,620,000)	(3,620,000)	(2,584,000)	(2,584,000)
Total net assets		<u><u>16,861,488</u></u>	<u><u>16,861,488</u></u>	<u><u>17,644,570</u></u>	<u><u>17,644,570</u></u>
Funds of the academy trust:					
Restricted funds	17				
- Restricted fixed asset funds		17,498,407	17,498,407	17,584,547	17,584,547
- Restricted income funds		1,828,126	1,553,055	1,621,147	1,346,076
- Pension reserve		(3,620,000)	(3,620,000)	(2,584,000)	(2,584,000)
Total restricted funds		<u>15,706,533</u>	<u>15,431,462</u>	<u>16,621,694</u>	<u>16,346,623</u>
Unrestricted income funds	17	<u>1,154,955</u>	<u>1,430,026</u>	<u>1,022,876</u>	<u>1,297,947</u>
Total funds		<u><u>16,861,488</u></u>	<u><u>16,861,488</u></u>	<u><u>17,644,570</u></u>	<u><u>17,644,570</u></u>

The results of the unconsolidated charity are total income of £6,994,606 (2019: £12,581,713) and net incoming resources of £252,930 (2019: £5,073,590).

The financial statements on pages 27 to 54 were approved by the board of trustees and authorised for issue on 8/12/2020 and are signed on their behalf by:

.....
P Carter
Chair



TRINITY ACADEMY NEWCASTLE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21	249,586		135,649	
Cash funds transferred on conversion		-		337,978	
		<u>249,586</u>		<u>473,627</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		1,542		1,535	
Capital grants from DfE Group		114,239		232,611	
Purchase of tangible fixed assets		<u>(297,699)</u>		<u>(167,964)</u>	
Net cash (used in)/provided by investing activities			<u>(181,918)</u>		<u>66,182</u>
Net increase in cash and cash equivalents in the reporting period			<u>67,668</u>		<u>539,809</u>
Cash and cash equivalents at beginning of the year		3,074,294		2,534,485	
Cash and cash equivalents at end of the year		<u>3,141,962</u>		<u>3,074,294</u>	

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

General information

Trinity Academy Newcastle is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

Basis of preparation

The financial statements of the academy trust 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 financial statements 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The academy trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the academy trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

Going concern

The group had total funds of £16,861k as at 31 August 2020, of which £2,982k was held in unrestricted and restricted general funds. Cash balances were £3,142k and net current assets £3,180k.

The group has prepared five-year forecasts which confirm that, based on the expected outturns, the trust has sufficient cash and funds for the Trust to continue in operation for at least 12 months from the date of approval of the financial statements. These forecasts have been reviewed in light of Covid-19, and no material changes have been identified. On this basis Trustees are of the opinion that there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus, the group continues to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The group financial statements consolidate, on a line by line basis, those of the company and its subsidiary undertaking, Trinity Post 16 Solutions Limited, over which it exercises control. These financial statements are drawn up to 31 July 2020. Profit or losses on intra-group transactions are eliminated in full.

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

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.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is unconditional 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

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

Other income

Other income, including cost for recharge of services, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Interest receivable

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

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

These are costs incurred on the academy trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

Tangible fixed assets and depreciation

Assets costing £1,000 or more (machinery, equipment and vehicles) and £10,000 or more (land, buildings and improvements) are capitalised as tangible fixed assets 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 that require 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.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings	Straight line over 50 years
Computer equipment	Straight line over 3 years
Fixtures, fittings and equipment	Straight line over 5 years
Motor vehicles	Straight line over 5 years

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

Liabilities

Liabilities 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.

Leased assets

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

Financial instruments

The academy trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the academy trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets measured at fair value through the profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

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.

Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 as other comprehensive income. Actuarial gains and losses are recognised immediately as other comprehensive income.

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 income funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education and Skills Funding Agency (ESFA) and Department for Education.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

Termination benefits

Termination benefits to encourage employees to leave service voluntarily are recognised when employees accept the Academy Trust's offer to those benefits. Termination benefits provided as a result of the Academy terminating employment are recognised when the Academy Trust has communicated its plan of termination to the affected employees.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2020. 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.

Reduced disclosures

In accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and reduced notes and disclosures

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	297,443	297,443	272,009

The income from donations and capital grants was £297,443 (2019: £272,009) of which £297,443 was restricted fixed assets (2019: £272,009).

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	2,961,559	2,961,559	2,638,336
Other DfE group grants	-	895,474	895,474	760,466
	<u>-</u>	<u>3,857,033</u>	<u>3,857,033</u>	<u>3,398,802</u>
Other government grants				
Local authority grants	-	2,792,827	2,792,827	2,315,809
	<u>-</u>	<u>6,649,860</u>	<u>6,649,860</u>	<u>5,714,611</u>

The income from funding for educational operations was £6,649,860 (2019: £5,714,611) of which £6,649,860 was restricted (2019: £5,714,611).

Other DfE/ESFA grants are made up of pupil premium, year 7 catch up, universal free school meals, post 16 income, PE grants, MDIF, Teachers Pay Grant, Student financial support, PFI Revenue and Teachers Pension Grant. Local Authority grants are in relation to top up funding, SEN funding, Looking after Children, music service grants, G Plus, Annex 1 and Intervention. There are no unfulfilled conditions or contingencies for grants recognised in the period.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Catering income	3,915	-	3,915	6,238
Other income	144,473	-	144,473	101,407
	<u>148,388</u>	<u>-</u>	<u>148,388</u>	<u>107,645</u>

The income from other trading activities was £148,388 (2019: £107,645) of which £148,388 was unrestricted (2019: £107,645).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest from short term deposits	1,542	-	1,542	1,535
	<u>1,542</u>	<u>-</u>	<u>1,542</u>	<u>1,535</u>

The income from funding for investment income was £1,542 (2019: £1,535) of which £1,542 was unrestricted (2019: £1,535).

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Staff costs £	Non Pay Premises £	Expenditure Other £	Total 2020 £	Total 2019 £
Academy's educational operations					
- Direct costs	4,024,447	444,806	274,413	4,743,666	3,838,110
- Allocated support costs	1,472,712	538,246	524,691	2,535,649	2,822,562
Total support costs	<u>5,497,159</u>	<u>983,052</u>	<u>799,104</u>	<u>7,279,315</u>	<u>6,660,672</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	67,702	57,859
Depreciation of tangible fixed assets	444,806	375,756
Net interest on defined benefit pension liability	47,000	29,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	15,244	14,800
- Other services	<u>10,240</u>	<u>9,000</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	-	4,743,666	4,743,666	3,838,110
Support costs				
Educational operations	17,851	2,517,798	2,535,649	2,822,562
	<u>17,851</u>	<u>7,261,464</u>	<u>7,279,315</u>	<u>6,660,672</u>

The expenditure on charitable activities was £7,279,315 (2019: £6,660,672) of which £17,851 was unrestricted (2019: £49,385), £6,816,658 was restricted (2019: £5,976,519) and £444,806 was restricted fixed assets (2019: £634,768).

	2020 £	2019 £
Analysis of support costs		
Support staff costs	1,472,712	1,413,280
Technology costs	28,971	25,800
Premises costs	538,246	905,630
Legal costs	101,045	100,223
Other support costs	382,203	341,694
Governance costs	12,472	35,935
	<u>2,535,649</u>	<u>2,822,562</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

Staff costs

Staff costs during the year were:

	2020	2019
	£	£
Wages and salaries	3,914,411	3,165,242
Social security costs	317,960	269,737
Pension costs	980,214	772,757
	<u>5,212,585</u>	<u>4,207,736</u>
Staff costs - employees	5,212,585	4,207,736
Agency staff costs	275,125	374,516
Staff restructuring costs	9,449	27,740
	<u>5,497,159</u>	<u>4,609,992</u>

Staff restructuring costs comprise:

Redundancy payments	-	27,390
Severance payments	9,449	-
Other restructuring costs	-	350
	<u>9,449</u>	<u>27,740</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs is a non-statutory/non-contractual severance payment totalling £9,449 (2019: £nil)

Staff numbers

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

	2020	2019
	Number	Number
Teachers	26	25
Administration and support	69	59
Management	16	15
	<u>111</u>	<u>99</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff (Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2020 Number	2019 Number
Teachers	26	22
Administration and support	65	59
Management	16	15
	<u>107</u>	<u>96</u>

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£110,001 - £120,000	1	1
	<u>4</u>	<u>4</u>

Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the Academy Trust was £478,644 (2019: £459,173).

10 Central services

The Academy Trust has provided the following Central Services to its Academies during the year:-

- Human Resources
- Financial Services
- School Improvement Services
- Health and Safety Services
- Estate Management
- Governance Services
- Safeguarding Services
- Marketing and PR services
- Data and Exams Management

The Trust charges for these services based on a flat percentage of GAG excluding student financial support.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Central services (Continued)

The amounts charged during the year were as follows:	2020	2019
	£	£
Trinity Academy Newcastle	246,321	(81,305)
Trinity Solutions Academy	89,855	22,537
Trinity Post 16 Solutions (Limited company)	10,853	-
Trinity Academy New Bridge	177,605	58,768
	<u>524,634</u>	<u>-</u>

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees were not paid any remuneration nor received any other benefits from employment with the Academy Trust.

The value of trustees' remuneration and other benefits was as follows:

W Curley (CEO) received a salary of £115,864 (2019: £114,539) and employer pension contributions of £nil (2019: £nil).

During the year ended 31 August 2020, travel and subsistence expenses totalling £nil (2019: £nil) were reimbursed to the trustees.

Related party transactions are set out in note 25.

12 Trustees and officers' insurance

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement (RPA), an alternative to insurance where the UK Government funds cover losses that arise. The scheme protects trustee and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustee and officer's indemnity element from the overall cost of the RPA scheme.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

Group and Company	Land and buildings	Computer equipment	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	18,458,684	228,753	19,283	39,480	18,746,200
Additions	-	280,491	11,908	5,300	297,699
At 31 August 2020	18,458,684	509,244	31,191	44,780	19,043,899
Depreciation					
At 1 September 2019	1,170,457	91,444	18,443	17,152	1,297,496
Charge for the year	369,174	65,928	1,807	7,897	444,806
At 31 August 2020	1,539,631	157,372	20,250	25,049	1,742,302
Net book value					
At 31 August 2020	16,919,053	351,872	10,941	19,731	17,301,597
At 31 August 2019	17,288,227	137,309	840	22,328	17,448,704

14 Investment in subsidiary

The Academy has a wholly owned subsidiary, Trinity Post 16 Limited, a company limited by guarantee and incorporated and registered in England (company number 09922889). The company provides post 16 LLDD education and pays all of its profits to the Academy by gift aid. A summary of the trading results for the company is shown below.

	2020	2019
	£	£
Turnover and other income	186,597	182,283
Cost of sales and administration costs	(143,181)	(143,547)
Operating profit	43,416	38,736
Interest received	1	12
Profit before tax	43,417	38,748
Gift aid distributable to parent	(43,417)	(38,748)
Retained profit	-	-
The assets and liabilities were:		
Total assets	2,724	4,183
Total liabilities	(2,724)	(4,183)
Net assets	-	-

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Debtors	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Trade debtors	-	-	2,424	-
Amounts owed by group undertakings	-	2,724	-	-
Other debtors	232,401	232,401	130,100	130,100
Prepayments and accrued income	245,713	242,989	103,384	103,384
	<u>478,114</u>	<u>478,114</u>	<u>235,908</u>	<u>233,484</u>
	<u><u>478,114</u></u>	<u><u>478,114</u></u>	<u><u>235,908</u></u>	<u><u>233,484</u></u>
16 Creditors: amounts falling due within one year	Group 2020 £	Company 2020 £	Group 2019 £	Company 2019 £
Trade creditors	49,129	49,129	40,991	40,991
Amounts owed to group undertakings	-	-	-	1,759
Other taxation and social security	83,368	83,368	77,844	77,844
Other creditors	96,881	96,881	56,423	56,423
Accruals and deferred income	210,807	210,807	355,078	350,895
	<u>440,185</u>	<u>440,185</u>	<u>530,336</u>	<u>527,912</u>
	<u><u>440,185</u></u>	<u><u>440,185</u></u>	<u><u>530,336</u></u>	<u><u>527,912</u></u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

Consolidated	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	1,621,147	2,961,559	(2,693,357)	(61,223)	1,828,126
Other DfE / ESFA grants	-	895,474	(895,474)	-	-
Other government grants	-	2,792,827	(2,792,827)	-	-
Pension reserve	(2,584,000)	-	(435,000)	(601,000)	(3,620,000)
	<u>(962,853)</u>	<u>6,649,860</u>	<u>(6,816,658)</u>	<u>(662,223)</u>	<u>(1,791,874)</u>
Restricted fixed asset funds					
Inherited on conversion/ transfer	17,206,318	-	(380,124)	-	16,826,194
DfE group capital grants	229,002	297,443	(39,163)	-	487,282
Capital expenditure from GAG	149,227	-	(25,519)	61,223	184,931
	<u>17,584,547</u>	<u>297,443</u>	<u>(444,806)</u>	<u>61,223</u>	<u>17,498,407</u>
Total restricted funds	<u>16,621,694</u>	<u>6,947,303</u>	<u>(7,261,464)</u>	<u>(601,000)</u>	<u>15,706,533</u>
Unrestricted funds					
General funds	1,010,118	149,930	(12,472)	-	1,147,576
Designated business enterprise	12,758	-	(5,379)	-	7,379
	<u>1,022,876</u>	<u>149,930</u>	<u>(17,851)</u>	<u>-</u>	<u>1,154,955</u>
Total funds	<u>17,644,570</u>	<u>7,097,233</u>	<u>(7,279,315)</u>	<u>(601,000)</u>	<u>16,861,488</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds (Continued)

Company	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	1,346,076	2,925,888	(2,657,686)	(61,223)	1,553,055
Other DfE / ESFA grants	-	846,723	(846,723)	-	-
Other government grants	-	2,700,762	(2,700,762)	-	-
Pension reserve	(2,584,000)	-	(435,000)	(601,000)	(3,620,000)
	<u>(1,237,924)</u>	<u>6,473,373</u>	<u>(6,640,171)</u>	<u>(662,223)</u>	<u>(2,066,945)</u>
Restricted fixed asset funds					
Inherited on conversion/ transfer	17,206,318	-	(380,124)	-	16,826,194
DfE group capital grants	229,002	287,334	(39,163)	-	477,173
Capital expenditure from GAG	149,227	-	(25,519)	71,332	195,040
	<u>17,584,547</u>	<u>287,334</u>	<u>(444,806)</u>	<u>71,332</u>	<u>17,498,407</u>
Total restricted funds	<u>16,346,623</u>	<u>6,760,707</u>	<u>(7,084,977)</u>	<u>(590,891)</u>	<u>15,431,462</u>
Unrestricted funds					
General funds	1,285,189	206,279	(58,712)	(10,109)	1,422,647
Designated business enterprise	12,758	-	(5,379)	-	7,379
	<u>1,297,947</u>	<u>206,279</u>	<u>(64,091)</u>	<u>(10,109)</u>	<u>1,430,026</u>
Total funds	<u>17,644,570</u>	<u>6,966,986</u>	<u>(7,149,068)</u>	<u>(601,000)</u>	<u>16,861,488</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds (Continued)

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

General Annual Grant

General Annual Grant must be used for the normal running costs of the Trust. The Academy Trust is not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE / ESFA grants

Other DfE / ESFA grants include pupil premium, PE teacher grants and post 16 higher needs which was spent in the year.

Other government grants

Other government grants include SEN funding and top up funding which was spent in the year.

Pension reserve

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

Inherited funds

The balance represents the transfer of land and buildings from New Bridge. Depreciation is charged to the fund over the life of the related assets.

Capital expenditure from GAG

The balance represents the total expenditure from GAG. Depreciation is charged to the fund over the life of the related assets.

DfE group capital grants

Capital funding has been received from the DfE for utilisation on building improvements and refurbishments. Where expenditure is capitalised, depreciation will be charged to the fund over the life of the related assets. Repairs expenditure expensed to the fund in year amounted to £204,035.

Unrestricted funds

General funds can be used for any purpose, at the discretion of the trustees, within the objects of the Academy.

Designated business enterprise

Trinity Academy Newcastle has developed a programme of training which supports our staff training development, alongside neighbouring schools and businesses. All funds raised from these activities offset any running costs, whilst supporting a wide range of extended activities and enhancing the quality of learning for our SEMH and Post 16 students.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds (Continued)

Funds prior year

Consolidated	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	1,245,020	2,638,336	(2,169,266)	(92,943)	1,621,147
Other DfE / ESFA grants	-	760,466	(760,466)	-	-
Other government grants	-	2,315,809	(2,315,809)	-	-
Other restricted funds	-	337,978	(337,978)	-	-
Pension reserve	(999,000)	(213,000)	(393,000)	(979,000)	(2,584,000)
	<u>246,020</u>	<u>5,839,589</u>	<u>(5,976,519)</u>	<u>(1,071,943)</u>	<u>(962,853)</u>
Restricted fixed asset funds					
Transfer on conversion	11,082,260	6,492,484	(368,426)	-	17,206,318
DfE group capital grants	221,370	272,009	(264,377)	-	229,002
Capital expenditure from GAG	58,249	-	(1,965)	92,943	149,227
	<u>11,361,879</u>	<u>6,764,493</u>	<u>(634,768)</u>	<u>92,943</u>	<u>17,584,547</u>
Total restricted funds	<u>11,607,899</u>	<u>12,604,082</u>	<u>(6,611,287)</u>	<u>(979,000)</u>	<u>16,621,694</u>
Unrestricted funds					
General funds	955,143	90,910	(35,935)	-	1,010,118
Designated business enterprise	7,938	18,270	(13,450)	-	12,758
	<u>963,081</u>	<u>109,180</u>	<u>(49,385)</u>	<u>-</u>	<u>1,022,876</u>
Total funds	<u>12,570,980</u>	<u>12,713,262</u>	<u>(6,660,672)</u>	<u>(979,000)</u>	<u>17,644,570</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds (Continued)

Funds prior year

Company	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	1,077,096	2,584,340	(2,222,417)	(92,943)	1,346,076
Other DfE / ESFA grants	-	737,651	(737,651)	-	-
Other government grants	-	2,225,202	(2,225,202)	-	-
Other restricted funds	-	337,978	(337,978)	-	-
Pension reserve	(999,000)	(213,000)	(393,000)	(979,000)	(2,584,000)
	<u>78,096</u>	<u>5,672,171</u>	<u>(5,916,248)</u>	<u>(1,071,943)</u>	<u>(1,237,924)</u>
Restricted fixed asset funds					
Transfer on conversion	11,082,260	6,492,484	(368,426)	-	17,206,318
DfE group capital grants	221,370	257,142	(264,377)	-	214,135
Capital expenditure from GAG	58,249	-	(1,965)	107,810	164,094
	<u>11,361,879</u>	<u>6,749,626</u>	<u>(634,768)</u>	<u>107,810</u>	<u>17,584,547</u>
Total restricted funds	<u>11,439,975</u>	<u>12,421,797</u>	<u>(6,551,016)</u>	<u>(964,133)</u>	<u>16,346,623</u>
Unrestricted funds					
General funds	1,123,067	141,646	35,343	(14,867)	1,285,189
Designated business enterprise	7,938	18,270	(13,450)	-	12,758
	<u>1,131,005</u>	<u>159,916</u>	<u>21,893</u>	<u>(14,867)</u>	<u>1,297,947</u>
Total funds	<u>12,570,980</u>	<u>12,581,713</u>	<u>(6,529,123)</u>	<u>(979,000)</u>	<u>17,644,570</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds (Continued)

Total funds analysis by academy

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
Trinity Academy Newcastle	1,659,232	1,410,945
Trinity Solutions Academy	970,397	964,321
Trinity Post 16 Solutions (Limited company)	-	-
Trinity Academy New Bridge	425,577	268,757
Central services	(72,125)	-
	<u>2,983,081</u>	<u>2,644,023</u>
Total before fixed assets fund and pension reserve		
Restricted fixed asset fund	17,498,407	17,584,547
Pension reserve	(3,620,000)	(2,584,000)
	<u>16,861,488</u>	<u>17,644,570</u>
Total funds	<u><u>16,861,488</u></u>	<u><u>17,644,570</u></u>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation and LGPS charges	Total 2020	Total 2019
	£	£	£	£	£	£
Trinity Academy Newcastle	2,420,993	277,847	88,483	677,901	3,465,224	3,444,187
Trinity Solutions Academy	384,629	-	112,621	122,433	619,683	968,907
Trinity Post 16 Solutions (Limited company)	78,721	-	48,062	59,815	186,598	143,547
Trinity Academy New Bridge	1,335,008	100,052	36,164	636,921	2,108,145	1,500,338
Central services	36,603	475,306	5,597	110,947	628,453	-
	<u>4,255,954</u>	<u>853,205</u>	<u>290,927</u>	<u>1,608,017</u>	<u>7,008,103</u>	<u>6,056,979</u>
	<u><u>4,255,954</u></u>	<u><u>853,205</u></u>	<u><u>290,927</u></u>	<u><u>1,608,017</u></u>	<u><u>7,008,103</u></u>	<u><u>6,056,979</u></u>

A separate central services function was included during the year as detailed in note 10. Previously, all income and expenditure relating to central management was included within Trinity Academy Newcastle.

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Endowment Funds	Total Funds
	£	£	£	£	£
Fund balances at 31 August 2020 are represented by:					
Tangible fixed assets	-	-	17,301,597	-	17,301,597
Current assets	1,140,479	2,282,787	196,810	-	3,620,076
Creditors falling due within one year	14,476	(454,661)	-	-	(440,185)
Defined benefit pension liability	-	(3,620,000)	-	-	(3,620,000)
Total net assets	1,154,955	(1,791,874)	17,498,407	-	16,861,488

	Unrestricted Funds	Restricted funds:		Endowment Funds	Total Funds
	£	General £	Fixed asset £	£	£
Fund balances at 31 August 2019 are represented by:					
Tangible fixed assets	-	-	17,448,704	-	17,448,704
Current assets	1,043,426	2,130,933	135,843	-	3,310,202
Creditors falling due within one year	(20,550)	(509,786)	-	-	(530,336)
Defined benefit pension liability	-	(2,584,000)	-	-	(2,584,000)
Total net assets	1,022,876	(962,853)	17,584,547	-	17,644,570

19 Contingent liabilities

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

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	7,245	983
Amounts due between one and five years	28,651	321
	<u>35,896</u>	<u>1,304</u>

Operating leases relate to the rental of vehicles and office equipment.

21 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(182,082)	6,052,590
Adjusted for:		
Net surplus on transfer of academy in the trust	-	(6,617,462)
Capital grants from DfE and other capital income	(297,443)	(272,009)
Interest receivable	(1,542)	(1,535)
Defined benefit pension scheme costs less contributions payable	388,000	364,000
Defined benefit pension scheme finance cost	47,000	29,000
Depreciation of tangible fixed assets	444,806	375,756
Movements in working capital:		
(Increase) in debtors	(59,002)	(36,918)
(Decrease)/increase in creditors	(90,151)	242,227
Net cash provided by operating activities	<u>249,586</u>	<u>135,649</u>

22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	<u>3,074,294</u>	<u>67,668</u>	<u>3,141,962</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

24 Pension and similar obligations

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

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

Contributions amounting to £73,505 (2019: £56,423) were payable to the schemes at 31 August 2020 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' Pension Scheme Regulations 2014. Membership is automatic for teachers in all academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions 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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 23.68% of pensionable pay (including 0.08% administration levy)
- Total scheme liabilities (pensions currently in payment and the estimated cost for future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- The SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £329,555 (2019: £194,935).

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations (Continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % 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.

Total contributions made	2020 £	2019 £
Employer's contributions	260,000	211,000
Employees' contributions	99,000	84,000
Total contributions	<u>359,000</u>	<u>295,000</u>

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2020 by a qualified independent actuary.

	2020 %	2019 %
Rate of increase in salaries	3.7	3.5
Rate of increase for pensions in payment/inflation	2.2	2.0
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.0

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

	2020 Years	2019 Years
Retiring today		
- Males	21.8	21.9
- Females	25.0	25.1
Retiring in 20 years		
- Males	23.5	23.6
- Females	26.8	26.9

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations (Continued)

The academy trust's share of the assets in the scheme	2020 Fair value £	2019 Fair value £
Equities	2,331,000	2,928,000
Government bonds	105,000	183,000
Corporate bonds	998,000	509,000
Cash	83,000	94,000
Property	401,000	384,000
Other assets	440,000	371,000
Total fair value of assets	<u>4,358,000</u>	<u>4,469,000</u>

The actual return on scheme assets was £(427,000) (2019: £223,000).

Amount recognised in the Statement of Financial Activities	2020 £	2019 £
Current service cost	648,000	379,000
Net interest cost	47,000	29,000
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	196,000
Total operating charge	<u>695,000</u>	<u>604,000</u>

Changes in the present value of defined benefit obligations	2020 £
At 1 September 2019	7,053,000
Current service cost	648,000
Interest cost	135,000
Employee contributions	99,000
Actuarial loss	86,000
Benefits paid	(43,000)
At 31 August 2020	<u>7,978,000</u>

TRINITY ACADEMY NEWCASTLE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations (Continued)

Changes in the fair value of the academy trust's share of scheme assets	2020 £
At 1 September 2019	4,469,000
Interest income	88,000
Return on plan assets (excluding net interest on the net defined pension liability)	(515,000)
Employer contributions	260,000
Employee contributions	99,000
Benefits paid	(43,000)
At 31 August 2020	<u>4,358,000</u>

25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Key management personnel compensation disclosure is included in note 9.

At 31 August 2020, Trinity Academy Newcastle was owed £2,724 (2019: £1,759 owed to) by its wholly owned subsidiary Trinity Post 16 Solutions Limited.

26 Agency arrangements

The Academy distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the year the Academy received £16,163 and disbursed £16,163 from the fund. An amount of £nil (2019: £nil) is included in other creditors relating to distributable funds that is repayable to the ESFA.

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

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 20 July 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, to obtain limited assurance about whether the expenditure disbursed and income received by Trinity Academy Newcastle during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2019 to 2020 Part 9: Regularity Reporting. We are independent of Trinity Academy Newcastle in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Trinity Academy Newcastle's accounting officer and trustees

The accounting officer is responsible, under the requirements of Trinity Academy Newcastle's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Trinity Academy Newcastle and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 2019 to 2020.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2019 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2019 to 2020.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Trinity Academy Newcastle and the ESFA in accordance with the terms of our engagement letter dated 20 July 2017. Our work has been undertaken so that we might state to the Trinity Academy Newcastle 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 Trinity Academy Newcastle and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Chartered accountants
1 St. James' Gate
Newcastle upon Tyne
NE1 4AD

Dated: 11/12/20.....
