Coast Academies

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2017

Registration number: 07668923

THURSDAY

A6LADTJN

A30 14/12/2017 #3

COMPANIES HOUSE

Coast Academies

Contents

Reference and Administrative Details	1 to 2
Directors' Report	3 to 12
Governance Statement	13 to 15
Statement on Regularity, Propriety and Compliance	16
Statement of Directors' Responsibilities	17
Independent Auditor's Report on the Financial Statements	18 to 20
Independent Reporting Accountant's Report on Regularity	21 to 22
Statement of Financial Activities incorporating Income and Expenditure Account	23 to 24
Balance Sheet	25
Statement of Cash Flows	26
Notes to the Financial Statements	27 to 51

Coast Academies

Reference and Administrative Details

Members	Mrs V Dixon Mr T Stephens (resigned 3 May 2017) Mr P Tape Mrs C Toms (resigned 2 May 2017) Ms L Williams
Directors	Mrs V Dixon, Chair Of Directors Mr K Kies, Headteacher Mr D Cartwright-Lomax Mr B Harris (resigned 20 March 2017) Mr D Lockyer (appointed 26 July 2017) Mr G Nichols (appointed 26 July 2017) Mr P O'Connor Mr T Stephens Mr R Stratford (resigned 5 July 2017) Mr P Tape (resigned 1 May 2017) Mr J Taylor (appointed 26 July 2017)
Company Secretary	Mrs S A Williscroft
Senior Leadership Team	Mr K Kies, Executive Head and CEO Ms A Clayton, Assistant Head Ms D Mawbey, Assistant Head Mr I Morgan, Head of School Mr S Ord, Head of School Ms M Oliver, Assistant Head Ms E King, Assistant Head Mr A Stark, Head of Finance Mr R Meek, Head Teacher Ms S Carter, Deputy Head Mr R Pearson, Assistant Head Mr J Sharman, Assistant Head Mrs D Harding, School Business Manager
***Principal and* Registered Office**	Eden Park Primary School Eden Park Brixham Devon TQ5 9NH

Coast Academies

Reference and Administrative Details (continued)

Company Registration Number	07668923
Independent Auditors	PKF Francis Clark Chartered Accountants & Statutory Auditor Sigma House Oak View Close Edginswell Park Torquay Devon TQ2 7FF
Bankers	Lloyds TSB plc 2 Palace Avenue Paignton Devon TQ3 3ER
Solicitors	Kitsons Limited Liability Partnership Minerva House Orchard Way Edginswell Park Torquay Devon TQ2 7FA

Coast Academies

Directors' Report for the Year Ended 31 August 2017

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

The Academy Trust comprises three primary schools and a pre-school nursery.

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 directors of Coast Academies are also the directors of the charitable company for the purposes of company law. The charitable company is known as Coast Academies.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Directors' indemnities

The Academy Trust through its Articles has indemnified its Directors to the fullest extent permissible by law.

Method of recruitment and appointment or election of Directors

The academy trust has adopted a skills based approach to governance and directors have been approached for the skills and experience that they can bring to the board. The trust is proactive in recruiting and has approached local businesses, higher education providers and professional consultants to recruit. The trust has also had great success using Academy Ambassadors to support recruitment. Membership structure rigidly follows the trust's articles of association.

Policies and procedures adopted for the induction and training of Directors

Prior to joining all prospective directors meet with the CEO, the chair of the board and take part in a formal interview and selection process. Key policies and documentation are shared via our online platform and courses are offered in conjunction with bespoke training from our legal partners Browne and Jacobson. An induction check list ensures that all new governors are compliant.

Arrangements for setting pay and remuneration of key management personnel

The Board of Directors has responsibility for establishing a pay policy for all staff, and for seeing that it is followed. It considers and approves the overall pay structure for all staff. The Board of Directors will review this policy annually or when circumstances require it and will consult staff and recognised professional associations as part of the review.

The Board of Directors will monitor the outcomes of pay decisions, including the extent to which different groups of teachers may progress at different rates, ensuring the Academy's continued compliance with equalities legislation.

Organisational structure

The board of directors meets 4 times a year and is responsible for the overall strategic direction of the trust, holding the CEO to account for the standards and outcomes for pupils and ensuring best value. Local Governing Body members together with Academy Challenge Team members carry out an evidence gathering/school visits and spend time in each school analysing data, meeting with leaders and making comparisons between schools. Structured evidence forms are submitted to ensure that all governors are fully informed.

Two directors act in the responsible officer role and are referred to as the designated accountable directors (DADs). This system is to be replaced this year with an audit committee.

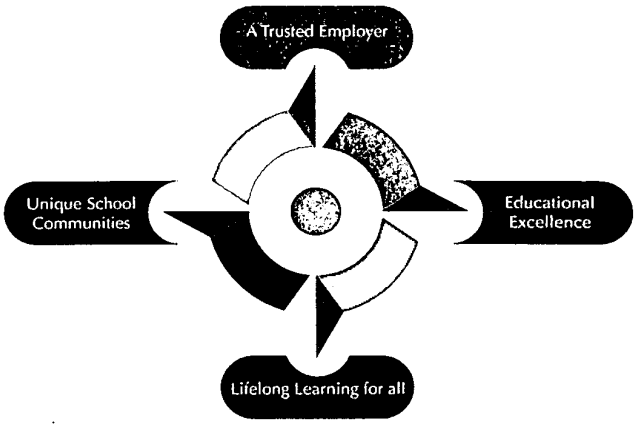
Related parties and other connected charities and organisations

Coast Academies is a multi-academy trust comprising three large primary schools in Torbay. The trust was formed through the accreditation of Eden Park as a DFE sponsor which in turn led to Preston Primary joining in a supported role. The trust was joined by Cockington Primary in April 2016 who came aboard as strong partners, adding more capacity and enhancing all the benefits that come from a formal collaboration. Each school is connected with its own associated Parent Teachers Association namely Eden Park PTA and Friends of Preston Primary School (FOPPS) and Cockington PTA. A note of their activities is included within the Financial Statements.

Objectives and activities

Objects and aims

The purpose of Coast Academies is to support a group of schools to "Achieve Excellence Together". We believe that by working together we can achieve a better education for more children. Our aims are set out through the Coast compass. See below.



We provide, challenge, support and progression for all our employees and place high value on our integrity

We will support our employees and ensure we provide expert advice and guidance

We view every staff member as a leader and trust individuals to take responsibility, sometimes at a new level

We will challenge everyone to give their best all of the time

We will encourage all our staff to progress with their careers and will provide the security and confidence to those willing to take the next step

We believe every young person is entitled to:

An excellent education

A purposeful curriculum, which is unique and reflects the school's geographical and cultural identity with strong links to the community and the outdoor environment

Experience a wide range of sports, and frequent creative opportunities within music and the arts

Strong emotional and pastoral care

Robust systems for monitoring teaching, learning and safeguarding

We are committed to a culture of lifelong learning

We will encourage reflection and self-review through the use of coaching approaches

We will support and encourage young people and adults to understand how they learn and to believe that they can achieve

We will encourage national accreditation where appropriate

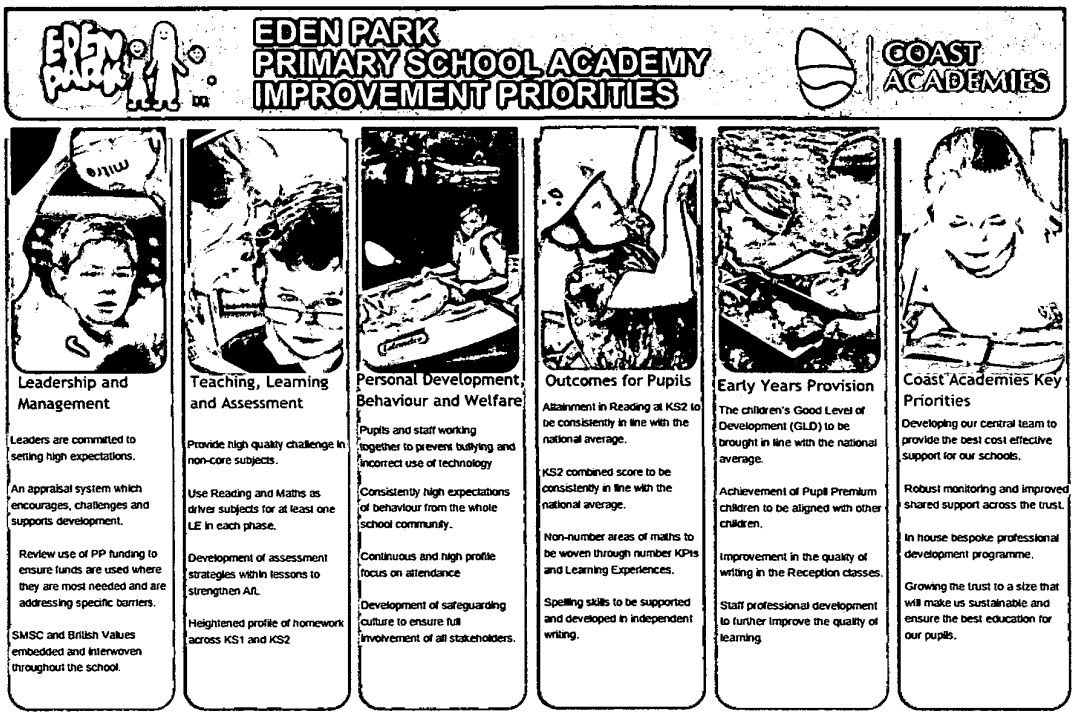
We recognise the uniqueness of each school's ethos and approaches

We value and support successful partnerships with parents and families

We will keep each community safe by ensuring compliance and providing the best advice and policy

At Eden Park these aims are realised in the school's own vision which is for Eden Park to be "An exciting school with an irresistible curriculum and high expectations, committed to care, adventure and success". At Preston the vision is for the school to be "An outstanding coastal school, known for an innovative curriculum that delivers excellent outcomes for children". At Cockington the school's vision statement is 'Believe, Achieve, Succeed'.

Objectives, strategies and activities



Cockington Primary School School Improvement Priorities

COAST ACADEMIES

Leadership and Management

Leaders at all levels hold and demonstrate the highest possible expectations of achievement, behaviour and well-being.

Whole school curriculum is progressive, planned and founded on key drivers, entitlements and outcomes.

The gap between achievement and progress of pupils entitled to the Pupil Premium and those not, continues to narrow.

Teaching, Learning and Assessment

All teaching over time is at least good and the percentage of outstanding increases.

All feedback has a positive impact on pupil progress

Pupils are able to talk knowledgeably about the next steps in their learning.

LSAs provide high quality cover for teachers' PPA and absence

Personal Development, Behaviour and Welfare

Attendance to meet target of 96%.

Pupils' behaviour outside the classroom is seen to be at least good at all times.

Racist, homophobic or similar prejudicial bullying incidents decrease.

Children supported to resolve issues without adult support.

Outcomes for Pupils

End of KS2 progress scores for Reading, Writing and Mathematics will all be broadly in line with the progress made on average nationally.

Combined RWM attainment scores at the end of KS2 are above national scores.

Robust tracking procedures are in place for all pupils, groups of pupils, classes and year groups.

Early Years Provision

An enhanced transition process is in place for the children joining our EYFS and for the EYFS children moving into Year 1.

Baseline data is used to maximise pupil progress.

To improve reading provision which will impact on the standard of Reading

To raise parental participation in children's assessment in EYFS.

Coast Academies Key Priorities

Developing our central team to provide the best cost effective support for our schools.

Robust monitoring and improved shared support across the trust.

In house bespoke professional development programme.

Growing the trust to a size that will make us sustainable and ensure the best education for our pupils.

PRESTON PRIMARY SCHOOL IMPROVEMENT PRIORITIES

COAST ACADEMIES

Leadership and Management

Monitoring systems support best progress for all pupils

To embrace professional development linking closely to the work of the Strategic Education Team and cross trust opportunities

Develop the culture to support leadership at all levels

Improve outcomes for all pupils resulting in good progress from individual starting points.

Teaching, Learning and Assessment

To increase the independence and the resilience of learners through our innovative curriculum and strategies to overcome barriers to learning

Responsive interventions for all children including opportunities for children to make their own decision to opt in to out of hours support

Support teachers to adapt their planning to embrace a mastery approach

Personal Development, Behaviour and Welfare

To ensure the school's open and tolerant culture actively promotes all aspects of pupil's welfare including use of online technology

Attendance: Ensure all children value education and rarely miss a day.

To ensure that pupil's conduct and behaviour for learning, reflects the school's effective strategies for promoting high standards for behaviour

Outcomes for Pupils

Ensure that attainment in the core subjects is above national in all areas.

Removing pupil barriers to ensure maximum progress

Ensure that the full resources of the school impact on the learning of all groups of pupils

A mastery approach to teaching and learning in maths and across the school

Early Years Provision

Continue to develop risky and adventurous play

To embed an electronic system for recording the children's EYFS learning journey encouraging greater parental participation.

Coast Academies Key Priorities

Developing our central team to provide the best cost effective support for our schools

Robust monitoring and improved shared support across the trust

In house bespoke professional development programme

Growing the trust to a size that will make us sustainable and ensure the best education for our pupils

Public benefit

The Academy Trust provides educational services to all children in the local area. The Directors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Strategic Report

Achievements and performance

All the schools in the trust have now achieved "Good" grades from OFSTED.

2016-17 performance. In broad summary performance was around national expected level in all schools for Early Years, Phonics and KS1. Some aspects of attainment dipped at Eden Park and Preston at KS2 although progress scores were still around national. Cockington improved significantly with attainment at KS2 this year and is now in line with national but due to high historical KS1 data, progress measures were all lower than national. Each school's improvement plan reflects these challenges.

Progress Measures KS2

Explanation: National Progress is zero. Each score also has a confidence interval (not shown here). Scores above or below zero may not be statistically different to national if the confidence interval still cuts across the zero. Most of our results were not different to national.

Those that were are marked with ●.

Maths

Institution	2015/2016	2016/2017
Cockington Primary	-2.82	-2.93 ●
Eden Park Primary	3.19	1.34
Preston Primary	0.70	0.89

Reading

Institution	2015/2016	2016/2017
Cockington Primary	-0.72	-4.05 ●
Eden Park Primary	2.00	-1.94
Preston Primary	3.28	-1.48

Writing

Institution	2015/2016	2016/2017
Cockington Primary	-0.32	-2.99 ●
Eden Park Primary	2.31	-0.17
Preston Primary	0.61	-2.53 ●

Strategic Report

Going concern

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

The Board are aware that the Trust has drawn down on its reserves as part of its current budget plans. Going forward this is not sustainable and therefore has already been recognised in the current budget plans for each school with steps taken to remove in-year deficit positions.

Plans for future periods

The trust plans to grow further to enhance the benefits of collaboration. Talks are current underway with a number of local schools one of which has now expressed formal interest in joining the trust. A free school bid was submitted to the DFE in September setting out plans for the trust to open two free schools by 2020.

Financial review

The Academy is considered to be in a stable financial position for the forthcoming year.

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

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

The Academy Trust also receives funding from Torbay Council for pupil premium and special educational needs and funding towards nursery children.

Incoming resources in the period totalled £6,357,000 (2016: £11,439,000) and resources expended totalled £7,034,000 (2016: £4,904,000). After the gain of £427,000 (2016: loss of £1,225,000) on the pension scheme, the total net movement in funds for the period was a decrease of £250,000 (2016: an increase of £5,310,000).

The Academy adheres to the financial management policies as contained in the Finance Policy.

Strategic Report

Reserves policy

The Directors review the reserve levels of Coast 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 Directors take into consideration the future plans of Coast Academies, the uncertainty over future income streams and other key risks identified during the risk review.

At 31 August 2017 the Academy's unrestricted funds were £335,000 (2016: £256,000) and the main restricted GAG fund carried forward was £82,000 (2016: £396,000). The total reserves (unrestricted and restricted) are £417,000 (2016: £652,000) which is higher than the budgeted amount for reserves that was set at £414,000.

The Directors have made allowance for:

• Future planned expenditure that cannot be met from the annual budget,
• For the replacement of capital and infrastructure items; and
• The creation and maintenance of capacity to deal with unknown items of expenditure that cannot be expected to be funded from the annual budget.

Investment policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Academy has in place an Investment Policy which allows for the potential investment of surplus cash balances but operated within strict guidelines approved by the Board of Directors.

Principal risks and uncertainties

A risk register is maintained and regularly reviewed by the senior leadership team, head of finance and the directors. Current risks include:

Current levels of staffing not sustainable should funding be reduced. Some temporary staff and flexi contracts have been built in to our structure to provide a buffer for this.

New national testing arrangements and assessment make predictions for future outcomes difficult. A lower OFSTED grade for either school would be a serious concern. Quality of teaching is strong in both schools however and this mitigates the risk significantly.

Funds held as Custodian Trustee on behalf of others

The Trust does not hold any funds on behalf of others.

Auditor

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Strategic Report

Approved by order of the Board of Directors on 27/11/2017 and signed on its behalf by:

Valerie J. Dixon

Mrs V Dixon
Director

Coast Academies

Governance Statement

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to Mr K Kies, Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Coast Academies and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Lockyer	0	0
Mr G Nichols	0	0
Mrs V Dixon	4	4
Mr B Harris	1	2
Mr K Kies	4	4
Mr J Taylor	0	0
Mr D Cartwright-Lomax	2	4
Mr T Stephens	4	4
Mr P Tape	2	3
Mr P O'Connor	3	4
Mr R Stratford	3	4

Key Changes

The Directors who resigned during the year were Mr R Stratford on 5 July 2017, Mr P Tape on 1 May 2017 and Mr B Harris on 20 March 2017. Newly appointed directors were Mr D Lockyer, Mr G Nichols and Mr J Taylor all joining on the 26 July 2017.

Review of value for money

As accounting officer the Head Teacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

• Ensuring joint procurement between the three schools wherever this could save money
• Looking for opportunities to restructure staff to provide high quality support and learning outcomes whilst saving money
• Ensuring spending is in line with the current school improvement priorities and holding heads of school and other budget holders to account

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Coast Academies for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;

- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided:

- to appoint Devon Audit Partnership as internal auditor

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

- testing of payroll systems
- testing of purchase systems
- testing of tendering and contracts
- testing of other financial systems

On a 6 monthly basis, the auditor reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

The Academy can confirm that the internal auditor has delivered their schedule of work as planned. There were no material control or other issues reported by the internal auditor to date.

Review of effectiveness

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

- the work of the internal auditor carried out by Devon Audit Partnership;
- the work of the external auditor carried out by Francis Clark accountants;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework. This is carried out by the designated accountable directors (DADs).

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

Approved by order of the members of the Governing Body on 27/11/17 and signed on its behalf by:

Valerie J. Dixon
.....
Mrs V Dixon
Chair and Director

.....
Mr K Kies
Accounting Officer

Coast Academies

Statement on Regularity, Propriety and Compliance

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

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

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

.....

Mr K Kies
Accounting Officer

Date: 27/11/17

Approved by order of the members of the Governing Body on 27/11/17 and signed on its behalf by:

Valerie J. Dixon

Coast Academies

Statement of Directors' Responsibilities

The Directors (who act as the governors of Coast Academies and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with the Annual 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Directors 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 Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Directors 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 Governing Body on 20/11/17 and signed on its behalf by:

Valerie J. Dixon

Mrs V Dixon
Director

Coast Academies

Independent Auditor's Report on the Financial Statements to the Members of Coast Academies

Opinion

We have audited the financial statements of Coast Academies (the 'Academy') for the year ended 31 August 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and 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 and 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Academy 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.

Use of our report

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

Independent Auditor's Report on the Financial Statements to the Members of Coast Academies (continued)

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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy'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 Directors 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's Report on the Financial Statements to the Members of Coast Academies (continued)

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 17], the Directors 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 Directors 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 Directors are responsible for assessing the Academy'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 Directors either intend to liquidate the Academy 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

PKF Francis Clark

Sharon Austen (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Sigma House
Oak View Close
Edginswell Park
Torquay
Devon
TQ2 7FF

Date: 11 December 2017

Coast Academies

Independent Reporting Accountant's Report on Regularity to Coast Academies and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 9 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Coast Academies during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Academy's Accounting Officer and the reporting Accountant

The Accounting Officer is responsible, under the requirements of Coast Academies' funding agreement with the Secretary of State for Education dated 30 June 2011 and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures;
- Evaluation of the system of internal controls for authorisation and approval;
- Performing substantive tests on relevant transactions.

Coast Academies

Independent Reporting Accountant's Report on Regularity to Coast Academies and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

PKF Francis Clark

Sharon Austen
PKF Francis Clark, Chartered Accountants

Sigma House
Oak View Close
Edginswell Park
Torquay
Devon
TQ2 7FF

Date: 11 December 2017

Coast Academies

Statement of Financial Activities for the Year Ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2017 £ 000
Income and endowments from:					
Donations and capital grants	2	15	2	306	323
Charitable activities:					
Funding for the Academy Trust's educational operations	3	-	5,883	-	5,883
Other trading activities	4	128	21	-	149
Investments	5	2	-	-	2
Total		145	5,906	306	6,357
Expenditure on:					
Raising funds	6	21	57	-	78
Charitable activities:					
Academy trust educational operations	7	45	6,566	345	6,956
Total		66	6,623	345	7,034
Net income/(expenditure)		79	(717)	(39)	(677)
Transfers between funds		-	(49)	49	-
Other recognised gains and losses					
Actuarial (losses) / gains on defined benefit pension schemes	26	-	427	-	427
Net movement in funds/(deficit)		79	(339)	10	(250)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		256	(2,321)	13,042	10,977
Total funds/(deficit) carried forward at 31 August 2017		335	(2,660)	13,052	10,727

Coast Academies

Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2016 £ 000
Income and endowments from:					
Donations and capital grants	2	16	-	290	306
Fair value of existing academy acquisitions		139	(198)	6,711	6,652
Charitable activities:					
Funding for the Academy Trust's educational operations	3	-	4,375	-	4,375
Other trading activities	4	88	16	-	104
Investments	5	2	-	-	2
Total		245	4,193	7,001	11,439
Expenditure on:					
Raising funds	6	49	31	-	80
Charitable activities:					
Academy trust educational operations	7	15	4,564	245	4,824
Total		64	4,595	245	4,904
Net income/(expenditure)		181	(402)	6,756	6,535
Transfers between funds		-	(84)	84	-
Other recognised gains and losses					
Actuarial (losses) / gains on defined benefit pension schemes	26	-	(1,225)	-	(1,225)
Net movement in funds/(deficit)		181	(1,711)	6,840	5,310
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		75	(610)	6,202	5,667
Total funds/(deficit) carried forward at 31 August 2016		256	(2,321)	13,042	10,977

Coast Academies

(Registration number: 07668923)
Balance Sheet as at 31 August 2017

	Note	2017 £ 000	2016 £ 000
Fixed assets			
Tangible assets	13	12,973	12,852
Current assets			
Stocks	14	16	13
Debtors	15	278	195
Cash at bank and in hand		759	1,187
		1,053	1,395
Creditors: Amounts falling due within one year	16	(524)	(524)
Net current assets		529	871
Total assets less current liabilities		13,502	13,723
Creditors: Amounts falling due after more than one year	17	(33)	(29)
Net assets excluding pension liability		13,469	13,694
Defined benefit pension scheme liability	26	(2,742)	(2,717)
Net assets		10,727	10,977
Funds of the Academy:			
Restricted funds			
Restricted general fund		82	396
Restricted fixed asset fund		13,052	13,042
Restricted pension fund		(2,742)	(2,717)
		10,392	10,721
Unrestricted funds			
Unrestricted general fund		335	256
Total funds		10,727	10,977

The financial statements on pages 23 to 51 were approved by the Directors, and authorised for issue on 27/11/17 and signed on their behalf by:

Valerie J. Dixon

Mrs V Dixon
Director

Coast Academies

Statement of Cash Flows for the Year Ended 31 August 2017

	Note	2017 £ 000	2016 £ 000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(291)	690
Cash flows from investing activities	23	(158)	(120)
Cash flows from financing activities	22	21	29
Change in cash and cash equivalents in the year		(428)	599
Cash and cash equivalents at 1 September		1,187	588
Cash and cash equivalents at 31 August	24	759	1,187

1 Accounting policies

Statement of accounting policies

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 accounts in accordance with FRS 102 (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Coast Academies meets the definition of a public benefit entity under FRS 102.

Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the financial statements. The Directors have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

1 Accounting policies (continued)

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.

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

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

The trust is benefiting from the ESFA's Free School Building Programme for the construction of Windmill Hill Primary School. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the trust controls (through ownership, lease or licence) the site where the development is occurring. No expenditure has yet been incurred.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where the receipt is probable and it can be measured reliably.

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

1 Accounting policies (continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

Transfer of existing academies into the trust

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the transfer of an existing academy into the trust within donations and capital grant income.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £1,000 or more 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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Buildings	50 years
Second Hand Motor Vehicles	2 years
Fixture & Fittings	3 - 4 years
Office Equipment	3 - 4 years
Computers	3 years

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.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1 Accounting policies (continued)

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

Unsold books and stationery stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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 Directors.

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

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

Critical accounting estimates and areas of judgement

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.

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2017 £ 000	Total 2016 £ 000
Capital grants	-	-	306	306	290
Other donations	15	2	-	17	16
	15	2	306	323	306

3 Funding for Trust's educational operations

	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
DfE/ESFA revenue grants			
General Annual Grant	4,561	4,561	3,388
Pupil Premium	548	548	403
PE Grant	29	29	23
MAT SCF	-	-	65
Regional Academy Growth Fund	50	50	-
Project Development Grant	30	30	-
Rates Relief	10	10	-
Universal Infant Free School Meals	147	147	97
	5,375	5,375	3,976
Other government grants			
LA - SEN Funding	164	164	71
LA - Nursery Funding	162	162	216
LA - Pre16 Enhanced Unit	-	-	31
LA - Planned Pupil Growth	85	85	36
Other Restricted	27	27	-
	438	438	354
Non-government grants and other income			
Education trips and visits	70	70	45
Total grants	5,883	5,883	4,375

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
Hire of facilities	20	-	20	11
Nursery income	20	-	20	24
School shop sales	-	-	-	-
Recharges and reimbursements	1	5	6	19
Other income	87	16	103	50
	128	21	149	104

5 Investment income

	Unrestricted funds £ 000	Total 2017 £ 000	Total 2016 £ 000
Short term deposits	2	2	2

6 Resources expended

		Non Pay Expenditure			
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2017 £ 000	Total 2016 £ 000
Expenditure on raising funds	16	3	59	78	80
Academy's educational operations					
Direct costs	4,352	345	334	5,031	3,611
Allocated support costs	1,057	412	456	1,925	1,213
	5,425	760	849	7,034	4,904

Net incoming/outgoing resources for the year include:

	2017 £ 000	2016 £ 000
Operating leases - other leases	22	13
Fees payable to auditor - audit	12	10
Fees payable to auditor - other audit services	3	3

7 Charitable activities

	Total 2017 £ 000	Total 2016 £ 000
Direct costs - educational operations	5,031	3,611
Support costs - educational operations	1,925	1,213
	6,956	4,824

	Educational operations £ 000	Total 2017 £ 000	Total 2016 £ 000
Analysis of support costs			
Support staff costs	1,057	1,057	615
Premises costs	412	412	332
Other support costs	410	410	235
Governance costs	46	46	31
Total support costs	1,925	1,925	1,213

8 Staff

Staff costs

	2017 £ 000	2016 £ 000
Staff costs during the year were:		
Wages and salaries	4,057	2,920
Social security costs	327	202
Pension costs	991	555
Apprenticeship levy	9	-
	5,384	3,677
Supply teacher costs	39	52
Staff restructuring costs	32	4
	5,455	3,733

	2017 £ 000	2016 £ 000
Staff restructuring costs comprise:		
Severance payments	32	4

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £32,000 (2016: £4,000). Individually, the payments were:

Non-contractual payments £8,000

Non-contractual payments £2,000

Non-contractual payments £5,000

Non-contractual payments £1,000

Non-contractual payments £2,000

Non-contractual payments £1,000

Non-contractual payments £6,000

Non-contractual payments £5,000

Non-contractual payments £2,000

8 Staff (continued)

Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year on a full time equivalent basis was as follows:

	2017 No	2016 No
Charitable Activities		
Teachers	149	135
Administration and support	23	17
Management	6	6
	178	158

Staff numbers

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

	2017 No	2016 No
Charitable Activities		
Teachers	222	207
Administration and support	25	21
Management	6	6
	253	234

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2017 No	2016 No
£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

The key management personnel of the Academy Trust comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £765,501 (2016: £568,079).

9 Central services

No central services were provided by the Academy Trust to its academies during the period and no central charges arose.

10 Related party transactions - Trustees' remuneration and expenses

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Directors 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 role as Directors. The value of Directors' remuneration and other benefits was as follows:

Mr K Kies (Head Teacher):

Remuneration: £105,000 - £110,000 (2016 - £100,000 - £105,000)
Employer's pension contributions: £15,000 - £20,000 (2016 - £10,000 - £15,000)

During the year ended 31 August 2017, training, travel and subsistence expenses totalling £2,254 (2016 - £Nil) were reimbursed or paid directly to 1 Director (2016 - 0).

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

11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

12 Connected charities

PTAs of Coast Academies are connected charities and they are related to the Academy Trust as follows: The PTAs are established for the general purpose of raising funds for Coast Academies..

- The aggregate amount of their assets is £18,000
- The aggregate amount of their liabilities is £Nil
- The aggregate amount of their funds is £18,000
- The total turnover is £22,000
- The total expenditure is £25,000
- Loss for the year is £3,000

13 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Assets under construction £ 000	Total £ 000
Cost						
At 1 September 2016	13,214	405	3	291	88	14,001
Additions	436	3	-	27	-	466
Transfer	88	-	-	-	(88)	-
Disposals	-	-	(3)	-	-	(3)
At 31 August 2017	13,738	408	-	318	-	14,464
Depreciation						
At 1 September 2016	644	286	3	216	-	1,149
Charge for the year	237	56	-	52	-	345
Eliminated on disposals	-	-	(3)	-	-	(3)
At 31 August 2017	881	342	-	268	-	1,491
Net book value						
At 31 August 2017	12,857	66	-	50	-	12,973
At 31 August 2016	12,570	119	-	75	88	12,852

14 Stock

	2017 £ 000	2016 £ 000
Books and stationery	16	13

15 Debtors

	2017 £ 000	2016 £ 000
Trade debtors	3	2
Prepayments	51	51
Accrued grant and other income	186	97
VAT recoverable	38	45
	278	195

16 Creditors: amounts falling due within one year

	2017 £ 000	2016 £ 000
Trade creditors	31	63
Other taxation and social security	83	77
Pension scheme creditor	73	68
Accruals	213	228
Deferred income	107	88
Other loans	17	-
	524	524

	2017 £ 000
Deferred income	
Deferred income at 1 September 2016	88
Resources deferred in the period	107
Amounts released from previous periods	(88)
Deferred income at 31 August 2017	107

At the balance sheet date the Academy Trust was holding grants received in advance for universal infant free school meals, breakfast club, after school club, rates relief, SEN funding and funds for educational trips, received in advance for the 2017/2018 academic year.

Included within other loans is a loan of £17,000 from Education and Skills Funding Agency which is provided on the following terms: The CIF loan is repayable in equal instalments over three years from September 2017. The loan has a interest rate of 1.69%.

17 Creditors: amounts falling due after one year

	2017 £ 000	2016 £ 000
CIF Loan	33	29

The CIF loan is repayable in equal instalments over three years from September 2017. The loan has a interest rate of 1.69%.

18 Funds

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted general funds					
General Annual Grant	353	4,561	(4,866)	(49)	(1)
SEN	-	164	(164)	-	-
Nursery fees	-	162	(162)	-	-
Pupil Premium	2	548	(548)	-	2
Restricted reimbursements fund	15	5	(20)	-	-
Two Year Old Development Funding	8	-	(8)	-	-
PE Grant	2	29	(29)	-	2
MAT Improvements Grant	3	-	-	-	3
MAT SCF	9	-	(9)	-	-
Educational Trips and Visits	3	70	(73)	-	-
UIFSM	-	147	(147)	-	-
Planned Pupil Growth	-	85	(85)	-	-
Other restricted income	1	45	(34)	-	12
Project Development Grant	-	30	-	-	30
Regional Academy Growth Fund	-	50	(16)	-	34
Rates Relief	-	10	(10)	-	-
	396	5,906	(6,171)	(49)	82

18 Funds (continued)

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted fixed asset funds					
Other LA capital	9,404	-	(164)	-	9,240
Capital expenditure from GAG	291	-	(54)	49	286
DfE/ESFA Capital Grants	784	304	(35)	-	1,053
Capital LA Nursery	10	-	(1)	-	9
Sport England	31	-	(13)	-	18
Assets donated by Torbay Council	2,411	-	(50)	-	2,361
Project Funds from Torbay Council	90	-	(27)	-	63
Donation from Acorns Nursery	21	-	(1)	-	20
Chartwells	-	2	-	-	2
	13,042	306	(345)	49	13,052
Restricted pension funds					
Defined benefit pension liability	(2,717)	-	(452)	427	(2,742)
Total restricted funds	10,721	6,212	(6,968)	427	10,392
Unrestricted funds					
Unrestricted general funds	256	145	(66)	-	335
Total funds	10,977	6,357	(7,034)	427	10,727

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total £ 000
Eden Park Primary School	108
Preston Primary School	53
Cockington Primary School	256
Total before fixed assets and pension reserve	417
Other LA capital	13,052
Defined benefit pension liability	(2,742)
Total	10,727

18 Funds (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2017 £ 000
Eden Park Primary School	1,406	236	62	379	2,083
Preston Primary School	1,072	165	41	278	1,556
Cockington Primary School	1,874	262	56	406	2,598
Academy Trust	4,352	663	159	1,063	6,237

19 Analysis of net assets between funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	12,973	12,973
Current assets	335	639	79	1,053
Current liabilities	-	(524)	-	(524)
Creditors over 1 year	-	(33)	-	(33)
Pension scheme liability	-	(2,742)	-	(2,742)
Total net assets	335	(2,660)	13,052	10,727

20 Financial commitments

Operating leases

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

	2017 £ 000	2016 £ 000
Amounts due within one year	17	19
Amounts due between one and five years	35	34
	52	53

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

	2017 £ 000	2016 £ 000
Net (expenditure)/income	(677)	6,535
Depreciation	345	246
Capital grants from DfE and other capital income	(306)	(7,001)
Defined benefit pension scheme obligation transferred	-	424
Interest receivable	(2)	(2)
Defined benefit pension scheme cost less contributions payable	394	139
Defined benefit pension scheme finance cost	58	41
Increase in stocks	(3)	(3)
(Increase)/decrease in debtors	(83)	271
(Decrease)/increase in creditors	(17)	40
Net cash (used in)/provided by Operating Activities	(291)	690

22 Cash flows from financing activities

	2017 £ 000	2016 £ 000
Cash inflows from new borrowing	21	29
Net cash provided by financing activities	21	29

23 Cash flows from investing activities

	2017 £ 000	2016 £ 000
Dividends, interest and rents from investments	2	2
Purchase of tangible fixed assets	(466)	(397)
Capital grants from DfE/ESFA	306	290
Cash transferred on academy joining the academy trust	-	349
Funds transferred on academy joining the academy trust	-	(364)
Net cash used in investing activities	(158)	(120)

24 Analysis of cash and cash equivalents

	At 31 August 2017 £ 000	At 31 August 2016 £ 000
Cash at bank and in hand	759	1,187
Total cash and cash equivalents	759	1,187

25 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 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.

26 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 Torbay Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £(73,000) (2016 - £(68,000)) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

26 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £368,123 (2016: £300,335).

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

Under the definitions set out in Financial Reporting Standard 102 (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.

26 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £363,000 (2016 - £214,000), of which employer's contributions totalled £280,000 (2016 - £156,000) and employees' contributions totalled £83,000 (2016 - £58,000). The agreed contribution rates for future years are 15.8 per cent for employers plus £2,862 per month and 5.5%-12.5% per cent for employees.

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

Principal actuarial assumptions

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	4.20	4.10
Rate of increase for pensions in payment/inflation	2.70	2.30
Discount rate for scheme liabilities	2.60	2.20

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males retiring today	23.40	22.90
Females retiring today	25.50	26.20
Retiring in 20 years		
Males retiring in 20 years	25.70	25.20
Females retiring in 20 years	27.90	28.60

Sensitivity analysis on scheme liabilities

	At 31 August 2017 £000	At 31 August 2016 £000
Discount rate +0.1%	4,879	4,533
Discount rate -0.1%	5,118	4,751
Mortality assumption – 1 year increase	5,165	4,761
Mortality assumption – 1 year decrease	4,835	4,524
CPI rate +0.1%	5,101	4,731
CPI rate -0.1%	4,896	4,553

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

26 Pension and similar obligations (continued)

	At 31 August 2017 £ 000	At 31 August 2016 £ 000
Equities	1,336	1,128
Gilts	69	61
Alternative assets	122	110
Infrastructure	87	78
Other bonds	56	51
Property	197	190
Cash and other liquid assets	53	33
Target return portfolio	335	273
Total market value of assets	2,255	1,924

The actual return on scheme assets was £250,000 (2016 - £202,000).

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2017 £ 000	2016 £ 000
Current service cost	(644)	(719)
Past service cost	(30)	-
Interest cost	(58)	(41)
Total amount recognised in the SOFA	(732)	(760)

Changes in the present value of defined benefit obligations were as follows:

	2017 £ 000	2016 £ 000
At start of period	4,641	1,851
Current service cost	644	295
Interest cost	102	91
Employee contributions	83	58
Actuarial (gain)/loss	(448)	1,376
Benefits paid	(55)	33
Past service cost	30	-
Effect of non-routine settlements	-	937
At 31 August	4,997	4,641

Movements in the fair value of academy's share of scheme assets

	2017 £ 000	2016 £ 000
At start of period	1,924	963
Interest income	44	201
Actuarial gain/(loss)	(21)	-
Employer contributions	280	156
Employee contributions	83	58
Benefits paid	(55)	33
Effect of non-routine settlements	-	513
At 31 August	2,255	1,924

27 Related party transactions

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

27 Related party transactions (continued)

During the year the Academy Trust entered into the following related party transactions:

Kenneth & Edwards
(Patrick O'Connor is a director and 50% shareholder of Kenneth & Edwards.)
Patrick O'Connor was appointed as a Director at Coast Academies on 23 June 2015. Prior to this date contracts were entered into by Kenneth and Edwards with Coast Academies resulting in invoices being processed in this financial year totalling £3,090 (2016 - £33,350). Cockington Primary Schools also entered contracts with Kenneth and Edwards before joining the MAT and invoices totalling £4,861 (2016 - £9,490) were processed in the year. Since he became a Director Kenneth and Edwards have been contracted to complete works with a total value of £21,318 (2016 - £1,544). At the balance sheet date the amount due to Kenneth & Edwards was £Nil (2016 - £6,864).

Acorns Pre School
(D Stephens, wife of T Stephens, is the sole owner.)
During the year the academy received £18,000 (2016 - £6,000) from Acorns Pre School in relation to rental income. At the balance sheet date the amount due to Acorns Pre School was £Nil (2016 - £Nil).

Included within incoming resources in the previous year was £20,580 in respect of restricted fixed asset funds brought in from Cockington Primary School following the acquisition.