

# Eden Park Primary School Academy

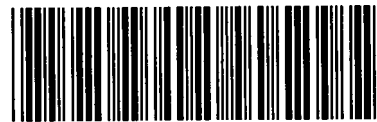
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2014

Registration number: 07668923

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# **Eden Park Primary School Academy**

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## **Eden Park Primary School Academy**

### **Reference and Administrative Details**

<b>Members</b>	Mrs V Dixon, Vice Chair Mr K Kies, Headteacher (Resignation 21 July 2014) Ms K Lawrence (appointed 23 September 2014 and Resignation 16 June 2014) Mrs C Toms (appointed 23 September 2014) Mr S Tucker (appointed 21 July 2014 and Resignation 16 September 2014)
<b>Governors</b>	Mrs K P Betts (Resignation 2 May 2014) Mrs L J Braund (Resignation 16 September 2014) Mrs A Clayton (Resignation 2 January 2014) Mr C Corkerton (appointed 30 June 2014 and Resignation 16 September 2014) Mr R B Coveney (Resignation 30 September 2013) Mrs V Dixon, Vice Chair Ms M Harper (appointed 2 January 2014 and Resignation 31 August 2014) Mr B Harris Ms C Hitchcott (appointed 17 March 2014 and Resignation 16 September 2014) Mr K Kies, Headteacher Mr D Law (appointed 12 September 2014) Ms K Lawrence (appointed 2 October 2013) Mr J Mercer (Resignation 12 July 2014) Mr C Morris (appointed 2 January 2014) Mr J G Parr (Resignation 25 November 2013) Mrs B Saunders (Resignation 16 September 2014) Miss J Stead (Resignation 2 January 2014) Mr R Stratford (appointed 16 September 2014) Mrs C L Toms, Chair (Resignation 16 September 2014) Mr S M Tucker (Resignation 16 September 2014)
<b>Company Secretary</b>	Mrs S A Williscroft
<b>Senior Management Team</b>	Ms A Clayton, Assistant Headteacher Mr K Kies, Headteacher Ms D Mawbey, Assistant Headteacher Mr I Morgan, Deputy headteacher
<b>Principal and Registered Office</b>	Eden Park Brixham Devon TQ5 9NH

## **Eden Park Primary School Academy**

### **Reference and Administrative Details**

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

## **Eden Park Primary School Academy**

### **Trustees' Report for the Year Ended 31 August 2014**

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014.

#### **Structure, governance and management**

The Academy Trust comprises of one primary school with a pre-school nursery.

#### ***Constitution***

The Academy Trust is a company limited by guarantee and is an exempt charity. The company was incorporated on 14 June 2011. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 07668923.

The governors act as the trustees for the charitable activities of Eden Park Primary School Academy and are also the directors of the charitable company for the purposes of company law.

Details of the governors who served throughout the period except as noted 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 he/she is a member, or within one year after he/she ceases to be a member, such amounts as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

#### ***Trustees' indemnities***

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its governors.

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

Giving due regard to point 56 of the articles the election procedures allow the use of modern ways to bring a space on the board to the attention of possible candidates whilst making every effort to ensure, in line with the article point 56, that all reasonable steps are taken to notify parents and staff of the opportunity to stand. The weekly newsletter, school texting service, posters around school and even the school radio station will be used at various points to notify parents that a vacancy exists. Known separated parents with Parental Responsibility will be notified by post unless there is a legal reason to withhold notification. The term of office for any governor shall be four years.

The Headteacher's term of office runs parallel with his contract of employment. Subject to remaining eligible to be a particular type of governor any governor may be reappointed or re-elected. Parents and Staff vote to elect their representatives on the Governing Body. Volunteers are actively sought from the local community and parent community to identify candidates to appoint as governors when the need arises. The trustees aim to recruit a governing body that bring a variety of skills and experience to the academy.

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

All Governors are offered the opportunity to attend Governor training through the local authority that provides a number of courses to develop governors understanding of their role. The Academy also pay for the governors to have access to GEL on-line Training. All new Governors can have a tour of the school and an opportunity to meet staff and pupils and receive an Induction Pack.

## **Eden Park Primary School Academy**

### **Trustees' Report for the Year Ended 31 August 2014**

#### ***Organisational structure***

The Board of Governors meet 4 times a year. The Board establishes an overall framework for the governance of the Academy and agrees membership of committees, statutory and other panels. It receives reports, and in particular policy documents, from its Committees for ratification. It monitors the activities of the Committees through the Minutes of their meetings. It also establishes the Terms of Reference and Procedures for its Committees. The Board of Governors may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Governors: to determine any proposals for the alteration, closure or change of category of the Academy; to amend the constitution of the Governing Body; to appoint or remove the Chairman and/or Vice Chairman; to appoint the Secretary to the Governors; to suspend governors. To delegate specific responsibilities to any Governor, Committee, the Head teacher or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all Committees; to publish an annual report; to make arrangement for staff dismissal appeals; to set up panels for the selection of the Head teacher; to approve the annual School Development Plan and to monitor the annual Register of Interests.

The added September meeting enables us to very early in the term deal with election of Chair, Vice-Chair and any changes needed to the membership or chairing of the committee's agreement of Terms of Reference and any new or updated policy needed for the start of term are also agreed. This helps ensure that all paper work needed for audit or other matters are completed as early as possible. The academy still operates two main committees. It was felt by members of the board, due to the level of work under-taken the Resources committee that it would schedule to meet monthly if needed.

Other committees are formed as needed to deal with matters as they arise from the available pool of governors, who are eligible to sit on the committee. The main sub committees are:

The Resources Committee:

Dealing with all matters relating to finance, sites and buildings including all salary and staff related issues.

The Learning and Community Committee:

Dealing with all matters relating to the quality of teaching and learning, including the curriculum and staffing issues.

The day to day running of the academy is delegated to the Headteacher and the Senior Leadership team.

#### ***Risk management***

The Responsible Officer, a member of the Devon Audit Partnership, has throughout the financial year continued to advise the governors on matters of risk management and the use of the Risk Register in the decision making process. The governing body intend to update the governors cycle to reflect this advice.

## Eden Park Primary School Academy

### Trustees' Report for the Year Ended 31 August 2014

#### *Connected organisations, including related party relationships*

Since October 2013, the Academy agreed to release its head teacher to support Preston Primary School for a couple of days a week. During this period of time the Academy was asked to consider becoming a DFE sponsor school. We applied and were successful. The Academy then applied to formally become the approved sponsor for Preston Primary School.

The Academy became a Multi-Academy trust known as Coast Academies on 1 October 2014.

The Academy also has a parent and teacher association.

#### **Objectives and activities**

##### *Objects and aims*

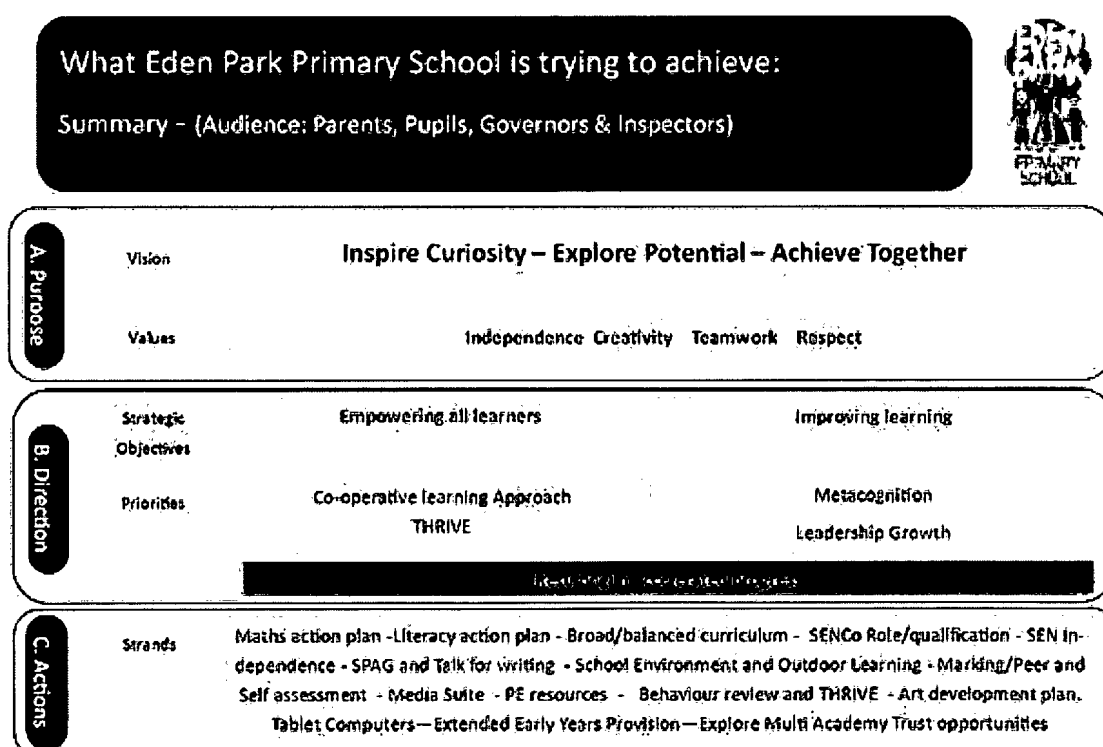
The academy's vision is to Inspire curiosity – Explore potential – Achieve together!

This is achieved through the implementation of the school's four core values, which were developed in detail with the whole school community. They are:

- Independence
- Respect
- Creativity
- Teamwork

##### *Objectives, strategies and activities*

The diagram below clearly shows the achievement objectives of the Academy:



## **Eden Park Primary School Academy**

### **Trustees' Report for the Year Ended 31 August 2014**

#### ***Public benefit***

The Academy provides educational services to all children in the local area. The Governors 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.



# Eden Park Primary School Academy

## Trustees' Report for the Year Ended 31 August 2014

### Strategic Report

#### Achievements and performance

The table below shows the academy's un-validated data against the national Key Stage 2 data for 2013. The academy performed well and the above average data represents significant progress for many of the children who started school below the nationally expected standard.

Teacher Assessment Results									
Percentage at each level:									
	W	1	2	3	4	5	6	Pupils disappplied	Pupils absent
English	0	0	0	7	71	22	0	0	0
	1	1	2	10	48	37	1	0	0
Speaking and listening	0	0	0	5	73	22	0	0	0
	1	1	2	11	49	36	1	0	0
Reading	0	0	2	2	67	29	0	0	0
	1	1	3	9	39	45	3	0	0
Writing	0	0	2	15	64	20	0	0	0
	1	1	3	12	53	29	2	0	0
Maths	0	0	0	9	69	22	0	0	0
	1	0	2	10	45	36	6	0	0
Science	0	0	0	4	82	15	0	0	0
	1	0	2	10	50	38	0	0	0

Test Results						
Percentage at each level:						
	Below level 3	3	4	5+	Pupils not entered	Pupils absent
English grammar, punctuation and spelling	5	16	35	44	0	0
	6	20	26	48	0	0
Reading	4	0	58	38	0	0
	5	8	41	44	0	0
Maths	0	9	67	24	0	0
	4	11	44	42	0	0

#### Principal risks and uncertainties

The most significant Risk and Uncertainty that the school faces at present is common to all schools across the country. In an uncertain financial climate the Government is looking to save money across the public sector and education will inevitably face cuts.

Any funding cuts will impact on the school and it is the uncertainty of the scale of such cuts which is of concern. The Governing Body has considered the implications of the expected cuts in the Risk Register and has a number of strategies for action depending on the severity of any cuts.

The SLT are asked to review the Risk Register regularly and make governors aware of any changes it feels are needed.

## Eden Park Primary School Academy

### Trustees' Report for the Year Ended 31 August 2014

#### Strategic Report

##### *Key non-financial performance indicators*

The academy still has its OFSTED "Good" grade and results for the year 2013-14 have improved again at both key stages. Attendance has also improved due to an increased focus on this including the appointment of our own attendance officer.

	2012-13	2013-14	2014-15 (to date)
	%	%	%
Total pupil attendance	94.2	95.1	97.1

##### *Going concern*

After making appropriate enquiries and reviewing the potential future funding provided by the EFA, the Board of Trustees' has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the next year. This assumes that the administrative arrangements for managing our finances are consolidated and that we receive confirmation of carry forward and the level of the Pupil Premium in sufficient time to provide a higher level of confidence in the budget process.

For these reasons the Trustees for the moment adopt the going concern basis in preparing their financial statements.

##### **Financial review**

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

The principle funding source for the academy is our annual allocation via the EFA. The academy also receives Pupil Premium money and funding from the Local Authority for our nursery children, also some SEN funding.

The academy adheres to the financial management policies as set by the school governors in our Finance Policy.

Incoming resources in the period totalled £1,783,000 (2013: £1,729,000) and resources expended totalled £1,849,000 (2013: £1,701,000). After the loss of £109,000 (2013: £6,000) on the pension scheme, the total net movement in funds for the period was a decrease of £175,000 (2013: an increase of £22,000).

##### *Reserves policy*

The Trustees have assessed the value of reserves held and with restricted reserves of £127,000 and unrestricted reserves of £50,000 at the year end they are considered to be adequate and not excessive. Where possible the funds will be spent in year unless they are being kept to contribute to a specific project.

##### *Investment policy*

After the statement was produced last year the academy was found to have an investment policy which was approved for use by Governors in 2012 and has been reviewed each year.

Due to the nature of funding the Academy may at times hold cash balances surplus to its short term requirements.

## Eden Park Primary School Academy

### Trustees' Report for the Year Ended 31 August 2014

#### 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 Trustees are aware:

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

Approved by order of the Board of Trustees on 4/12/14 and signed on its behalf by:

ctoms  
Mrs C L Toms  
Trustee

## Eden Park Primary School Academy

### Governance Statement

#### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Eden Park Primary School Academy 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, 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 Eden Park Primary School Academy 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 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C L Toms	6	6
Mrs K P Betts	0	5
Mrs L J Braund	6	6
Mrs A Clayton	1	2
Mrs V Dixon	6	6
Ms M Harper	3	4
Mr B Harris	5	6
Ms C Hitchcott	3	3
Mr K Kies	6	6
Ms K Lawrence	5	5
Mr J Mercer	3	6
Mr C Morris	4	4
Mr J G Parr	2	2
Mrs B Saunders	5	6
Miss J Stead	2	2
Mr S M Tucker	6	6

## Eden Park Primary School Academy

### Governance Statement (continued)

#### Key changes

Karen Lawrence was appointed as a community governor on 02.10.13,  
John Parr resigned as a Governor on 25.11.13,  
Jane Stead came to the end of her term on 13.12.13,  
Adele Clayton came to the end of her term on 17.12.13,  
Marianne Harper and Charles Morris were elected as staff Governors on 17.12.13,  
Caroline Hitchcott was elected as a parent Governor on 18.03.14,  
Kim Betts resigned as a community Governor on 21.04.14,  
Colin Corkerton was appointed as a Community Governor on 30.06.14,  
Jonathan Mercer came to the end of his term as a parent Governor on 12.07.14,  
Darren Law was appointed as a Director on 21.07.14; and  
Marianne Harper resigned as a Staff Governor on 31.08.14.

#### Governance reviews

Due to approaching formation of Coast Academies in the early part of the academic year 14/15 and being unclear of how the governance structure would look, it was decided not to recruit for the spaces currently on the body and not to review our constitution and terms of reference. With Lord Nash indicating that boards should be no larger than needed. We talked about staying with a reduced number and working more towards skills based rather than stakeholder model of governance.

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to:

- Ensure school funds enable every child to reach their potential in accordance with regulation.
- Ensure the effectiveness of the organisation structure.
- Oversee Health and Safety and Audit Issues

Attendance at meetings during the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs L J Braund	5	8
Mrs V Dixon	6	6
Mr B Harris	6	8
Mr K Kies	6	8
Mr C Morris	5	6
Mr J G Parr	2	2
Mrs B Saunders	4	6
Mrs C L Toms	8	8
Mr S M Tucker	6	8

## **Eden Park Primary School Academy**

### **Governance Statement (continued)**

#### **Particular challenges**

During in the autumn term the governing body were asked to consider releasing the head teacher to support another primary school in the bay a few days a week. This was agreed by the governing body, things were put in place to allow the academy to continue to run smoothly.

This then led to the academy being asked to consider applying to become a sponsor school and become a Multi Academy Trust (MAT). The governors agreed to undertake this process and were successful in the application. The governors were then asked to agree to the SLT putting together a bid to sponsor the other school that the head was currently supporting within the bay. The governing body agreed. The school was successful in its bid and was awarded the role of sponsor to Preston Primary. We will become a MAT on 1st October 2014, known as Coast Academies.

The Resource committee undertook 3 working parties to review and inform 3 major area's that needed decisions reaching by the full board. These working parties were.

#### **• School Dinners**

The working party undertook research by sampling a number of school dinners at the Academy and also visiting a local school that does their dinners in house. Reporting as necessary to both Resources and the Full Governors, they worked closely with the School Business Manager (SBM) also attending the procurement process meetings to select the new supplier of school meals across Torbay. The recommendation to the board was to stay with the chosen supplier for Torbay. The board agreed.

#### **• Cleaning and Grounds**

It was felt it was needed to review the cleaning arrangements and the grounds maintenance for the Academy. The working party started with a review of the current cleaning contract and a meeting with the contractor to discuss new requirements. We then invited other companies to quote whilst also looking into the cost of going in house. After considering all options the recommendation of the working party was to go with a new cleaning company. This was agreed by the board. Due to timing it was decided to hold off on the decision for the grounds maintenance and to enquire what other academies do.

#### **• Play Ground**

In a previous year the academy undertook the services of a PE consultant. One of the recommendations was to consider turning the KS2 playground into a multi surface. The working party looked at types of surfaces, got advice and quotes. We then worked with Robin Causley who works for Torbay Community Development Trust as Community Funding Advisor to research funding options. It was decided by the governors that the academy couldn't consider committing a sum of suitable size till Sept 2015. Therefore it will be considered at some point in 14/15 for possible inclusion in the 15/16 budget.

#### **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 T=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 Eden Park Primary School Academy for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

## **Eden Park Primary School Academy**

### **Governance Statement (continued)**

#### **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 2014 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. On a 6 monthly basis, the auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's 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 RO to date.

#### **Review of effectiveness**

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


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

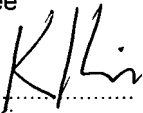
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

## Eden Park Primary School Academy

### Governance Statement (continued)

Approved by order of the members of the Governing Body on 4/12/14 and signed on its behalf by:

  
.....  
Mrs C L Toms  
Trustee

  
.....  
Mr K Kies  
Accounting Officer



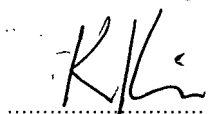
## **Eden Park Primary School Academy**

### **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Eden Park Primary School Academy I have considered my responsibility to notify the Trust Board and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the Funding Agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material 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 EFA.



Mr K Kies  
Accounting Officer

## Eden Park Primary School Academy

### Statement of Trustees' Responsibilities

The trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors/Trustees Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


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

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

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

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

Approved by order of the Members of the Board on 4/12/14 and signed on its behalf by:

  
Mrs C L Toms  
Trustee

## **Eden Park Primary School Academy**

### **Independent Auditor's Report on the Financial Statements to the members of Eden Park Primary School Academy**

We have audited the financial statements of Eden Park Primary School Academy for the year ended 31 August 2014, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's Trustees, 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 charity's Trustees 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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

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

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Governors/Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Eden Park Primary School Academy

### Independent Auditor's Report on the Financial Statements to the members of Eden Park Primary School Academy (continued)

#### Matters on which we are required to report by exception

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

- 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.

*Francis Clark LLP*

Christopher Hicks BA FCA DChA (Senior Statutory Auditor)  
For and on behalf of Francis Clark LLP, Statutory Auditor

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

Date: *5 December 2014*

## **Eden Park Primary School Academy**

### **Independent Reporting Accountant's Report on Regularity to Eden Park Primary School Academy and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 10 April 2011 and further to the requirements of the Education Funding Authority (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the period 1 September 2013 to 31 August 2014 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 the Trust Board and the EFA. Our review work has been undertaken so that we may state to the Trust Board and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the Trust Board and the EFA, for our review work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of the accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of the Academy Trust's funding agreement with the Secretary of State for Education dated 30 June 2011 and the Academies Financial Handbook, 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 review are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Annual Accounts Direction issued by the Education Funding Agency. 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

#### **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 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Eden Park Primary School Academy**

**Independent Reporting Accountant's Report on Regularity to Eden Park  
Primary School Academy and the Education Funding Agency (continued)**

*Francis Clark*

.....  
Francis Clark LLP  
Reporting Accountant

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

Date: *5 December 2014*

## Eden Park Primary School Academy

### Statement of Financial Activities for the Year Ended 31 August 2014 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2014 £ 000	Total 2013 £ 000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	5	12	-	17	17
Activities for generating funds	3	32	53	-	85	20
<i>Incoming resources from charitable activities:</i>						
Funding for the Trust's educational operations	4	-	1,663	18	1,681	1,692
Total incoming resources		37	1,728	18	1,783	1,729
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		-	10	-	10	12
Cost of generating funds		28	56	-	84	6
<i>Charitable activities:</i>						
Trust's educational operations		4	1,647	94	1,745	1,672
Governance costs	7	-	10	-	10	11
Total resources expended	5	32	1,723	94	1,849	1,701
Net incoming/(outgoing) resources before transfers		5	5	(76)	(66)	28
Gross transfers between funds		-	(10)	10	-	-
Net income/(expenditure) for the year		5	(5)	(66)	(66)	28

# Eden Park Primary School Academy

## Statement of Financial Activities for the Year Ended 31 August 2014 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2014 £ 000	Total 2013 £ 000
<b>Other recognised gains and losses</b>						
Actuarial losses on defined benefit pension schemes	22	-	(109)	-	(109)	(6)
Net movement in funds/(deficit)		5	(114)	(66)	(175)	22
<b>Reconciliation of funds</b>						
Funds/(deficit) brought forward at 1 September 2013		45	(217)	3,070	2,898	2,876
Funds/(deficit) carried forward at 31 August 2014		50	(331)	3,004	2,723	2,898

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.



# Eden Park Primary School Academy

(Registration number: 07668923)

## Balance Sheet as at 31 August 2014

	Note	2014 £ 000	2013 £ 000
<b>Fixed assets</b>			
Tangible assets	11	3,004	3,070
<b>Current assets</b>			
Stocks	12	6	6
Debtors	13	89	86
Cash at bank and in hand		262	111
		<u>357</u>	<u>203</u>
Creditors: Amounts falling due within one year	14	(180)	(68)
Net current assets		<u>177</u>	<u>135</u>
Total assets less current liabilities		<u>3,181</u>	<u>3,205</u>
Net assets excluding pension liability		3,181	3,205
Pension scheme liability	22	(458)	(307)
Net assets including pension liability		<u>2,723</u>	<u>2,898</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		127	90
Restricted fixed asset fund		3,004	3,070
Restricted pension fund		(458)	(307)
		<u>2,673</u>	<u>2,853</u>
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>50</u>	<u>45</u>
Total funds		<u>2,723</u>	<u>2,898</u>

The financial statements on pages 21 to 46 were approved by the Trustees, and authorised for issue on 4.12.14 and signed on their behalf by:

C L Toms  
Mrs C L Toms  
Trustee

## Eden Park Primary School Academy

### Cash Flow Statement for the Year Ended 31 August 2014

	Note	2014 £ 000	2013 £ 000
Net cash inflow from operating activities	18	170	128
Capital expenditure and financial investment	19	<u>(19)</u>	<u>(98)</u>
Increase in cash in the year	20	<u>151</u>	<u>30</u>

#### Reconciliation of net cash flow to movement in net funds

Increase in cash in the year	151	30
Net funds at 1 September 2013	<u>111</u>	<u>81</u>
Net funds at 31 August 2014	<u>262</u>	<u>111</u>

## **Eden Park Primary School Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2014**

#### **1 Accounting policies**

##### **Basis of preparation**

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

##### **Going concern**

The governors 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 governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

##### **Incoming resources**

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

##### **Grants receivable**

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable 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.

##### **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 there is certainty of receipt.

##### **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

## **Eden Park Primary School Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2014**

#### **1 Accounting policies (continued)**

##### ***Donated services and gifts in kind***

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

##### ***Resources expended***

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

All resources expended are inclusive of irrecoverable VAT.

##### ***Cost of generating funds***

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

##### ***Charitable activities***

These are costs incurred on the Academy Trust's educational operations.

##### ***Governance costs***

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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 on a straight line basis, 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	4 years
Office Equipment	4 years
Computers	3 years

#### Leased assets

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

#### Stock

Stationery and books 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.

## **Eden Park Primary School Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2014**

#### **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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

##### **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 governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

## Eden Park Primary School Academy

### Notes to the Financial Statements for the Year Ended 31 August 2014

#### 2 Voluntary income

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2014 £ 000	Total 2013 £ 000
Educational trips and visits	-	12	12	13
Other donations	5	-	5	4
	<u>5</u>	<u>12</u>	<u>17</u>	<u>17</u>

#### 3 Activities for generating funds

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2014 £ 000	Total 2013 £ 000
Hire of facilities	-	-	-	1
Nursery income	23	-	23	5
School shop sales	-	-	-	1
Recharges and reimbursements	-	53	53	4
Other income	9	-	9	9
	<u>32</u>	<u>53</u>	<u>85</u>	<u>20</u>

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 4 Funding for Trust's educational operations

	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2014 £ 000	Total 2013 £ 000
<b>DfE/EFA capital grants</b>				
Devolved Formula Capital	-	8	8	8
<b>DfE/EFA revenue grants</b>				
General Annual Grant	1,391	-	1,391	1,410
Pupil Premium	150	-	150	112
PE Grant	9	-	9	-
	<u>1,550</u>	<u>-</u>	<u>1,550</u>	<u>1,522</u>
<b>Other government grants</b>				
LA - SEN Funding	6	-	6	71
LA - Nursery Funding	97	-	97	91
Two Year Old Development Funding	10	-	10	-
LA - Nusery Capital	-	10	10	-
	<u>113</u>	<u>10</u>	<u>123</u>	<u>162</u>
<b>Total grants</b>	<u>1,663</u>	<u>18</u>	<u>1,681</u>	<u>1,692</u>



# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 5. Resources expended

	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2014 £ 000	Total 2013 £ 000
Costs of generating voluntary income	-	-	10	10	12
Costs of activities for generating funds	84	-	-	84	6
<b>Academy's educational operations</b>					
Direct costs	1,139	85	87	1,311	1,232
Allocated support costs	175	176	83	434	440
	1,314	261	170	1,745	1,672
Governance costs including allocated support costs	1	-	9	10	11
	1,399	261	189	1,849	1,701

### Net incoming/outgoing resources for the year include:

	2014 £ 000	2013 £ 000
Operating leases - other	13	9
Fees payable to auditor - audit	5	5
- other accountancy services	2	2

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 6 Charitable activities - Academy's educational operations

	Total 2014 £ 000	Total 2013 £ 000
<b>Direct costs</b>		
Teaching and educational support staff costs	1,139	1,058
Depreciation	85	87
Educational supplies	60	61
Staff development	7	11
Educational consultancy	19	15
Other direct costs	1	-
	<u>1,311</u>	<u>1,232</u>
<b>Allocated support costs</b>		
Support staff costs	141	135
FRS 17 service cost adjustment	34	16
Maintenance of premises and equipment	97	113
Cleaning	27	26
Rent and rates	12	16
Energy costs	22	19
Insurance	18	21
Recruitment and support	2	1
Security & transport	10	11
Catering	50	52
Bank interest and charges	-	3
Expected return on scheme assets	(32)	(21)
Interest on defined benefit pension scheme	40	27
Professional fees	5	5
Other support costs	8	16
	<u>434</u>	<u>440</u>
	<u>1,745</u>	<u>1,672</u>

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 7 Governance costs

	Restricted funds £ 000	Total 2014 £ 000	Total 2013 £ 000
Legal and professional fees	1	1	-
<b>Auditors' remuneration</b>			
Audit of financial statements	5	5	5
Other accountancy services	2	2	2
Responsible officer audit	1	1	2
Support costs	1	1	2
	<u>10</u>	<u>10</u>	<u>11</u>

### 8 Staff costs

	2014 £ 000	2013 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	1,132	996
Social security costs	66	60
Pension costs	189	150
Supply teacher costs	12	8
Compensation payments	-	2
	<u>1,399</u>	<u>1,216</u>

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

	2013 No	2012 No
<b>Charitable Activities</b>		
Teachers	44	16
Administration and support	4	25
Management	1	1
	<u>49</u>	<u>42</u>

## Eden Park Primary School Academy

### Notes to the Financial Statements for the Year Ended 31 August 2014

#### 8 Staff costs (continued)

The number of employees whose emoluments (excludes pension contributions) fell within the following bands was:

	2013 No	2012 No
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

1 (2013 - 1) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for this member of staff amounted to £10,238 (2013 - £9,517).

#### 9 Trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration (includes pension contributions) in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

Mrs A Clayton: £5,000 - £10,000 (2013 - £25,000 - £30,000)

Miss J Stead: £10,000 - £15,000 (2013 - £35,000 - £40,000)

Mr K Kies: £80,000 - £85,000 (2013 - £75,000 - £80,000)

Mrs L J Braund: £10,000 - £15,000 (2013 - £10,000 - £15,000)

Ms M Harper: £10,000 - £15,000 (2013 - £Nil)

Mr C Morris: £15,000 - £20,000 (2013 - £Nil)

During the year ended 31 August 2014, travel and expenses totalling £Nil (2013 - £133) were reimbursed to 0 trustees (2013 - 1).

Related party transactions involving the trustees are set out in note 23.

#### 10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2014 was £3,172 (2013 - £3,357).

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

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Total £ 000
<b>Cost</b>					
At 1 September 2013	3,113	46	3	76	3,238
Additions	4	11	-	4	19
At 31 August 2014	3,117	57	3	80	3,257
<b>Depreciation</b>					
At 1 September 2013	103	17	3	45	168
Charge for the year	48	14	-	23	85
At 31 August 2014	151	31	3	68	253
<b>Net book value</b>					
At 31 August 2014	2,966	26	-	12	3,004
At 31 August 2013	3,010	29	-	31	3,070

### 12 Stock

	2014 £ 000	2013 £ 000
Books and stationery	6	6

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 13 Debtors

	2014 £ 000	2013 £ 000
Prepayments	35	54
Accrued grant and other income	29	19
VAT recoverable	25	13
	<u>89</u>	<u>86</u>

### 14 Creditors: amounts falling due within one year

	2014 £ 000	2013 £ 000
Trade creditors	17	7
Other taxation and social security	20	19
Pension scheme creditor	20	18
Accruals and deferred income	123	24
	<u>180</u>	<u>68</u>

	2014 £ 000
Deferred income at 1 September 2013	1
Resources deferred in the period	97
Amounts released from previous periods	<u>(1)</u>
Deferred income at 31 August 2014	<u>97</u>

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 15 Funds

	Balance at 1 September 2013 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2014 £ 000
<b>Restricted general funds</b>					
General Annual Grant	62	1,391	(1,383)	(10)	60
SEN	-	6	(6)	-	-
Nursery fees	26	97	(97)	-	26
School trips	2	12	(14)	-	-
Pupil Premium	-	150	(117)	-	33
Restricted reimbursements fund	-	53	(53)	-	-
Two Year Old Development Funding	-	10	(2)	-	8
PE Grant	-	9	(9)	-	-
	<u>90</u>	<u>1,728</u>	<u>(1,681)</u>	<u>(10)</u>	<u>127</u>
<b>Restricted fixed asset funds</b>					
Other LA capital	2,938	-	(51)	-	2,887
Capital expenditure from GAG	126	-	(33)	10	103
Capital expenditure from EFA	6	8	(10)	-	4
Capital LA Nursery	-	10	-	-	10
	<u>3,070</u>	<u>18</u>	<u>(94)</u>	<u>10</u>	<u>3,004</u>
<b>Restricted pension funds</b>					
Defined benefit pension liability	<u>(307)</u>	<u>-</u>	<u>(42)</u>	<u>(109)</u>	<u>(458)</u>
Total restricted funds	2,853	1,746	(1,817)	(109)	2,673
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>45</u>	<u>37</u>	<u>(32)</u>	<u>-</u>	<u>50</u>
Total funds	<u>2,898</u>	<u>1,783</u>	<u>(1,849)</u>	<u>(109)</u>	<u>2,723</u>

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 16 Analysis of net assets between funds

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	3,004	3,004
Current assets	50	307	-	357
Current liabilities	-	(180)	-	(180)
Pension scheme liability	-	(458)	-	(458)
Total net assets	<u>50</u>	<u>(331)</u>	<u>3,004</u>	<u>2,723</u>

### 17 Financial commitments

#### Operating leases

At 31 August 2014 the Trust had annual commitments under non-cancellable operating leases as follows:

#### Operating leases which expire:

	2014 £ 000	2013 £ 000
Other		
Within one year	1	1
Within two to five years	<u>8</u>	<u>9</u>
	<u>9</u>	<u>10</u>

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

	2014 £ 000	2013 £ 000
Net (expenditure)/income	(66)	28
Depreciation	85	87
FRS 17 expected return on scheme assets	(32)	(21)
FRS 17 interest on defined benefit pension scheme	40	27
FRS17 service cost adjustment	34	16
Increase in stocks	-	(1)
Increase in debtors	(3)	(56)
Increase in creditors	<u>112</u>	<u>48</u>
Net cash inflow from operating activities	<u>170</u>	<u>128</u>



# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 19 Capital expenditure and financial investment

	2014 £ 000	2013 £ 000
Purchase of tangible fixed assets	<u>(19)</u>	<u>(98)</u>

### 20 Analysis of changes in net funds

	At 1 September 2013 £ 000	Cash flows £ 000	At 31 August 2014 £ 000
Cash at bank and in hand	<u>111</u>	<u>151</u>	<u>262</u>

### 21 Members' liability

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

## **Eden Park Primary School Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2014**

#### **22 Pension and similar obligations**

The Academy'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 Devon County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £(20,000) (2013 - £(18,000)) 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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

##### **Valuation of the Teachers' Pension Scheme**

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

## **Eden Park Primary School Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2014**

#### **22 Pension and similar obligations (continued)**

##### **Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 22 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 2014 was £79,000 (2013 - £63,000), of which employer's contributions totalled £59,000 (2013 - £48,000) and employees' contributions totalled £20,000 (2013 - £15,000). The agreed contribution rates for future years are 14.7% plus a fixed annual contribution for employers, with additional monthly contributions, and 5.5% - 12.5% for employees.

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

#### Principal actuarial assumptions

	At 31 August 2014 %	At 31 August 2013 %
Rate of increase in salaries	4.40	5.10
Rate of increase for pensions in payment/inflation	2.60	2.90
Discount rate for scheme liabilities	3.90	4.70
Inflation assumptions (CPI)	2.60	2.90
RPI increases	<u>3.40</u>	<u>3.70</u>

#### Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1% £ 000	0.0% £ 000	- 0.1% £ 000
<b>Adjustment to discount rate</b>			
Present value of total obligation	970	989	1,009
Projected service cost	<u>101</u>	<u>103</u>	<u>105</u>
<b>Adjustment to pension increases and deferred revaluation</b>			
Present value of total obligation	1,004	989	975
Projected service cost	<u>105</u>	<u>103</u>	<u>101</u>
<b>Adjustment to rate of salary growth</b>			
Present value of total obligation	994	989	984
Projected service cost	<u>103</u>	<u>103</u>	<u>103</u>
<b>Adjustment to mortality age rating assumption</b>			
Present value of total obligation	955	989	1,023
Projected service cost	<u>99</u>	<u>103</u>	<u>107</u>

## Eden Park Primary School Academy

### Notes to the Financial Statements for the Year Ended 31 August 2014

#### 22 Pension and similar obligations (continued)

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 2014	At 31 August 2013
<b>Retiring today</b>		
Males retiring today	22.70	20.60
Females retiring today	26.00	24.60
<b>Retiring in 20 years</b>		
Males retiring in 20 years	24.90	22.60
Females retiring in 20 years	<u>28.30</u>	<u>26.50</u>

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

	At 31 August 2014 £ 000	At 31 August 2013 £ 000
Equities	316	294
Gilts	29	64
Alternative assets	10	-
Infrastructure	15	-
Other bonds	22	-
Property	51	44
Cash	11	15
Target return portfolio	<u>77</u>	<u>73</u>
Total market value of assets	531	490
Present value of scheme liabilities - funded	<u>(989)</u>	<u>(797)</u>
Deficit in the scheme	<u>(458)</u>	<u>(307)</u>

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 22 Pension and similar obligations (continued)

The expected rates of return were:

	At 31 August 2014 %	At 31 August 2013 %
Equities	6.70	7.00
Gilts	3.00	3.50
Alternative assets	5.90	-
Infrastructure	3.60	-
Other bonds	3.60	-
Property	5.90	6.00
Cash	2.90	.50
Target return portfolio	<u>5.90</u>	<u>5.00</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £51,000 (2013 - £55,000).

### Amounts recognised in the statement of financial activities

	2014 £ 000	2013 £ 000
Current service cost	<u>93</u>	<u>64</u>
Total operating charge	<u>93</u>	<u>64</u>

### Analysis of pension finance income/(costs)

	2014 £ 000	2013 £ 000
Expected return on pension scheme assets	(32)	(21)
Interest on pension liabilities	<u>40</u>	<u>27</u>
Pension finance income	<u>8</u>	<u>6</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£200,000) (2013 - (£91,000)).

# Eden Park Primary School Academy

## Notes to the Financial Statements for the Year Ended 31 August 2014

### 22 Pension and similar obligations (continued)

#### Movements in the present value of defined benefit obligation

	2014 £ 000	2013 £ 000
At 1 September	797	655
Current service cost	93	64
Interest cost	40	27
Employee contributions	20	15
Actuarial losses	40	40
Benefits paid	(1)	(4)
At 31 August	<u>989</u>	<u>797</u>

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

	2014 £ 000	2013 £ 000
At 1 September	490	376
Expected return on assets	32	21
Actuarial (losses)/gains	(69)	34
Employer contributions	59	48
Employee contributions	20	15
Benefits paid	(1)	(4)
At 31 August	<u>531</u>	<u>490</u>

The estimated value of employer contributions for next period is £54,000 (2013 - £48,000).

#### History of experience adjustments

	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligations	(989)	(797)	(655)
Fair value of share of scheme assets	531	490	376
Deficit in the scheme	<u>(458)</u>	<u>(307)</u>	<u>(279)</u>

	2014 £ 000	2013 £ 000	2012 £ 000
Experience adjustments arising on scheme assets	(69)	34	6
Experience adjustments arising on scheme liabilities	<u>2</u>	<u>-</u>	<u>-</u>

Comparative figures have not been restated as permitted by FRS 17.

## **Eden Park Primary School Academy**

### **Notes to the Financial Statements for the Year Ended 31 August 2014**

#### **23 Related party transactions**

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

There were no related party transactions in the year.

#### **24 Post balance sheet events**

Since the year end the Academy Trust has become the EFA approved sponsor of Preston Primary. On 1 October 2014 the academy became a Multi-Academy Trust, known as Coast Academies, and Preston Primary joined this Trust.