

Registered number: 07949154

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

SATURDAY



\*A2NPND7E\*

A20

21/12/2013

#340

COMPANIES HOUSE

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

---

**CONTENTS**

---

	Page
<b>Reference and administrative details of the academy, its governors and advisers</b>	1
<b>Trustees' report</b>	2 - 8
<b>Governance statement</b>	9 - 11
<b>Statement on regularity, propriety and compliance</b>	12
<b>Governors' responsibilities statement</b>	13
<b>Independent auditor's report</b>	14 - 15
<b>Independent reporting accountant's assurance report on regularity</b>	16 - 17
<b>Statement of financial activities</b>	18 - 19
<b>Balance sheet</b>	20
<b>Cash flow statement</b>	21
<b>Notes to the financial statements</b>	22 - 44

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

<b>Governors</b>	Lindsey Clark, Executive Principal Tahir Alam, Chair, Community Governor David Hughes, Community Governor Nicola Benyahia, Parent Governor Shahid Javed Akmal (appointed 27 November 2012) Bodrul Alam, Community Governor (resigned 30 September 2012) Mobina Rahman, Staff Governor (resigned 31 August 2012) Arshad Hussain, Staff Governor (resigned 30 September 2012) Amjid Zaman, Co-optee Governor (resigned 31 August 2012) Shanaz Akhtar, Parent Governor (resigned 30 September 2012) Iqbal Bahadar, Parent Governor (resigned 30 September 2012) Shaista Parveen, Parent Governor (resigned 30 September 2012) Amjid Riaz, Parent Governor (resigned 30 September 2012)
<b>Company registered number</b>	07949154
<b>Principal/Registered office</b>	Naseby Road Alum Rock Birmingham B8 3HG
<b>Company secretary</b>	Vacant
<b>Executive Principal</b>	Lindsey Clark
<b>Independent auditor</b>	Crowe Clark Whitehill LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
<b>Bankers</b>	Lloyds TSB Bank Plc 22A Great Hampton Street Birmingham West Midlands B18 6AH
<b>Solicitors</b>	Browne Jacobsen Mowbray House Castle Meadow Road Nottingham NG2 1BJ
<b>Members</b>	Tahir Alam  Nicola Benyahia  David Hughes

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**INTRODUCTION**

The Trustees (who are also directors of the Charitable Company for the purposes of the Companies Act) present their annual report together with the financial statements and auditor's report of the Charitable Company for the year ended 31 August 2013

The financial statements have been prepared in accordance with the accounting policies on page 23 of the financial statements, and comply with the Company's Memorandum and Articles of Association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities," (SORP 2005), and the Academies Accounts Direction

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

Park View Educational Trust is a company limited by guarantee. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Academy Trust. The Charitable Company was incorporated on 14th February 2012. Park View Business and Enterprise School was replaced with Park View School the Academy of Mathematics and Science upon conversion to Academy status, on 1 April 2012. Park View Education Trust became a Multi-Academy Trust on 1 October 2012 with the incorporation of Nansen Primary School as Nansen Primary School a Park View Academy.

**Members' Liability**

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

**Trustees**

The Trustees are directors of the charitable company for the purpose of the Companies Act 2006 and Trustees for the purpose of charity legislation.

The Trustees who were in office at 31 August 2013 and up to the date of this report are listed on page 1.

The Trustees (Directors) are subject to retirement by rotation. Directors are eligible for re-election at the meeting at which they retire. The directors to retire are those who have served the longest in office since their appointment or re-election. New directors are recruited in accordance with the Articles of Association and 'A Guide to the Law for School Governors'. The term of office for any Governor is 4 years, although this time limit does not apply to the Executive Principal.

During the period under review (i.e. 1st September 2012 – 31st August 2013), the Trustees (Directors) held 7 meetings. The training and induction provided for new Trustees (Directors) will depend on their existing experience. Where necessary induction will provide training on charity and educational legal financial matters. All new Trustees will be given the opportunity to tour the Academies and the chance to meet with pupils and staff. The Trust continues to procure Governor Support Services provided by Birmingham City Council, the local authority. The Trust is a member of the National Governors Association and FASNA (Freedom and Autonomy for Schools – National Association). Additional training is provided as required based on individual or collective need. External advice and support is commissioned as and when necessary.

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**Trustees' Indemnities**

In accordance with normal commercial practice and in line with the provisions as set out in the Articles of Association the Trust has purchased professional indemnity insurance

**Organisational Structure**

The structure of the Trust consists of five senior levels, the Trustees, Board of Directors, Local Governing Bodies, the Principals and the broader Senior Leadership Teams, which includes Deputy Principals, Assistant Principals and academies Business Managers and a Trust Principal Finance Officer (seconded position). An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the academies nurture the talents of its entire staff to support continual improvement and excellence.

The Trustees and Board of Directors are responsible for setting the Trust's strategic direction, ethos and policies. They are responsible for oversight of each of the academies in terms of finance, outcomes and welfare of students and staff.

In each Academy it is the Principal and the Senior Leadership Team that control at an executive level, implementing policies set by the Board of Directors. The principal reports to the Local Governing Body. Each Chair of the Local Governing Body holds an ex-officio role on the Trust's Board and it is through this mechanism that the Board of Directors retains oversight.

It is for each Local Governing Body as described in their Schemes of Delegation to establish if they wish any sub-committees. The expectation is that each Local Governing Body deals with all aspects except for the following, which should be dealt with via sub-committee -

- Performance management and appraisal of the Principal
- Staff salary reviews
- Pupil and staff discipline
- Staff capability
- Appeal committees
- Complaints
- Significant areas of change management e.g. re-structuring

**Public Benefit**

In setting objectives and planning the Academy's activities, the Board of Directors have paid due regard to the published guidance from the Charity Commission regarding the principle of public benefit.

**Connected Organisations, including Related Party Relationships**

The Trust does not have any connected organisations or related party relationships.

**Risk Management**

The Board of Directors has considered the major risks to which it is exposed, in particular those relating to governance, finance, insurance, attainment, attendance, behaviour, health and safety (including school trips), behaviour management, and in relation to the control of finances.

Adequate insurance has been arranged where significant risk remains.

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**OBJECTIVES AND ACTIVITIES**

**Objects, Aims and Principal Activities**

The principal object of the charitable company is the operation of Park View Education Trust, in which are the academies of Park View School the Academy of Mathematics and Science and Nansen Primary School a Park View Academy. The purpose is "to advance for the benefit, education in the United Kingdom in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a broad and balanced curriculum" This is exemplified within the Trust's vision that states the following -

"Our vision is to enable the pursuit of excellence, recognition of abilities and talent, and the realisation of ambitions for all of our learners"

Park View School the Academy of Mathematics and Science is an 11-16 mixed comprehensive school that replaced Park View Business and Enterprise School on 1st April 2012, following conversion to Academy Status. Park View was deemed outstanding by Ofsted in January 2012.

Park View has been a National Support School for many years and the Trust's Executive Principal, Lindsey Clark is a National Leader of Education. On the 1st October 2012 the Multi-Academy Trust was formed with the sponsored conversion of Nansen Primary School.

Nansen Primary School a Park View Academy is a large primary school with over 870 pupils. There is also a nursery on site educating a total of 78 pupils for 15 hours each.

All staff in each academy work hard to not only provide the best education, with high levels of expectation, but fundamentally to work to "break the link between demographics, deprivation and destiny" (PVET vision statement).

The Board of Directors set the Trusts and its academies the strategic direction through our Vision document, policy documents and its strategic overview. The Business Plan is under review. Pupil progress, fiscal propriety including value for money and consistency of adherence to policies are closely monitored by the Board of Directors through the work of the Principals and their Senior Leadership Teams.

The aims of the Trust are to

- Create high achieving urban schools through learning, sharing and disseminating excellence in educational strategies and practices
- Provide a highly supportive and challenging learning environment that encourages the highest expectations for academic success and excellence in character
- Continuously strive to develop a culture of mutual respect and support through excellent working relationships between students, teachers, and parents
- Stress the development of the whole person, which includes the spiritual, moral, social, physical and intellectual in order to deliver the best outcomes for our learners
- Nurture a strong sense of shared purpose, generosity of spirit and the desire to serve others
- Give reality to 'tough love' and 'no compromise' rhetoric in enabling our students to succeed
- Ensure every student develops the knowledge, skills and disposition to pursue purposeful ambitions and fulfilling lives and enabling pupils to become integral and active members of modern society, making a valuable contribution to the wellbeing of society as a whole

The key objectives for the year up until 31st August 2013 are summarised as

- To ensure that for each key stage every pupil makes the appropriate levels of progress as a minimum
- Develop a pupil data and tracking system that goes across all phases and gives a consistent Trust view

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

- All lessons to be at least good and an increasing proportion of lessons to be outstanding
- All pupils behaviour to be outstanding
- All students and staff to feel safe and secure at all times
- To ensure that each academy's curriculum is aligned with pupil/ national/ international requirements
- To ensure that pupil attainment for all students is at or above national averages
- To develop pupil leadership and participation in their own peer assessment and the academy's decision making process
- To explore Training School and School Direct options
- To achieve Value for Money in all aspects of the use of resources for each academy

## **ACHIEVEMENTS AND PERFORMANCE**

### **Park View School the Academy of Mathematics and Science**

The academy continues to be heavily over subscribed and for the academic year 2012- 2013 the academy performed exceptionally well, achieving well above national average results

#### **GCSE Highlights**

- 75% of students achieved A\*-C grades including English and Maths
- 83% of students achieved an A\*-C grade in Mathematics
- 80% of students achieved an A\*-C grade in English
- 25% of students achieved 3+ A\*/A grades
- 9% of students achieved the English Baccalaureate

### **Nansen Primary School a Park View Academy**

Nansen Primary School is a larger than average primary school that is growing from a three form entry to a 6 form entry institution. The school is experiencing turbulence with its growth as demographics move up and down in the local area.

#### **Early Years Foundation Stage**

The three prime areas, which include Literacy and Numeracy – 66% (1)

#### **Key Stage 1**

Every area improved on last year except for phonics that dropped 1% and writing Level 3, which also experienced a 1% drop.

#### **Key Stage 2**

**Every area improved on last year's results except that Level 5 writing went down by 14%. Level 4 improved. However, Nansen's level of pupil progress is still below the national averages.**

A small number of pupils achieved Level 6 in English and Maths for the first time ever.

---

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**FINANCIAL REVIEW**

Each academy received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during 2012-2013 (Nansen Primary School funds were received from the date of conversion 1st October 2012)

**Restricted General Fund**

The majority of each academy's income was received through Education Funding Agency (EFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the academy's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the SOFA. General Restricted Fund income for the year was £7,627,765, expenditure against the fund was £8,016,362, giving a restricted revenue fund deficit of £388,597, before transfers from the Restricted Fixed Fund.

**Unrestricted Funds**

Income received into the Unrestricted Fund was £286,824. This was attributable partly to the £10,610 closing balance transfer from Nansen Primary School, the predecessor school of Nansen Primary School a Park View Academy. Expenditure against the fund was £187,674 for the year, giving an Unrestricted Fund surplus of £99,150.

**Restricted Fixed Asset (Capital) Fund**

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the academy's depreciation policy.

Income received into the fund includes the value of Nansen's predecessor school's assets at £9,213,552 and academies Capital Maintenance Funding and Formula Capital Funding of £104,771.

The SOFA shows £9,074,764 Restricted Fixed Asset Fund year end surplus after transfers between funds.

**Summary of Financial Performance**

Total fund balance as at 31st August 2013 was £19,640,969 comprised of £649,757, £446,167 and £20,155,045 in Unrestricted, Restricted General and Restricted Fixed Asset Funds respectively as well as the Restricted Pension Reserve deficit of £1,610,000.

**Balance Sheet**

The Trust's assets were predominantly used for providing education to school students. Some assets were let to the local community, predominantly for sports and holiday activities.

The net book value of the Trust's tangible fixed assets was £20,076,583 as at 31st August 2013. The movement in this account is detailed in note 15.

Cash in hand at 31st August 2013 was £1,441,279.

The Reserves and Investment Policies are detailed below.

**Financial and Risk Management Objectives and Policies**

The objective of the Trust's Risk Management procedure is to identify the key risks facing each academy and the Trust ensuring adequate controls are in place and whether further is necessary, including external insurance.



---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**Principal Risks and Uncertainties**

The Board of Directors has a risk management process to identify and monitor the risks faced by the Trust and its academies. The principal risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is under review with at the moment greater emphasis directed towards those areas deemed to be higher risk for some or all of the institutions.

**Reserves Policy**

The Board of Directors reviews each academy's reserve annually. The Board of Directors have determined that the appropriate level of free reserves should be a minimum of £200,000 in the first year of the academy's life. The policy of the Trust is to carry forward a prudent level of resources designed to meet the long-term needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the EFA.

The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergence's or unplanned population growth as required by local circumstances. In future years capital maintenance and development projects may be considered in the reserves policy review.

The Trust's free reserves as at 31st August 2013 were £649,757.

**Investment Policy**

The Academy does not have any endowment funds.

**PLANS FOR FUTURE PERIODS**

The Trust expects that all of its Academies will strive to meet its vision, mission and aims. In particular to, "break the link between demography, deprivation and destiny". At the same time developing independent, articulate and confident young people with high levels of attainment.

In March 2012 the Trust was approached by the governors of Golden Hillock School to support the attainment outcomes for the students at Golden Hillock. Park View School the Academy of Mathematics and Science is a National Support School. The principal of Park View, and later other staff were seconded to Golden Hillock to improve outcomes. As a result of this work and further representation by the above mentioned governors, Golden Hillock became a Park View Academy on the 1st October 2013.

The Trust has been working with DRB group of companies since 1st June 2013 to develop improved fiscal and governance structures and processes to deliver a robust Trust structure as the number of academies increases and is planned to increase.

The intention is for the Trust to grow to further 8 or 9 academies, and to this purpose application has been made to the Sponsor Capacity Grant Fund to support the growth of systems and structures as required.

**Funds held as Custodian Trustee on behalf of others**

The Board of Directors, The Trust or its academies are not acting as third party custodial trustees.

**Going Concern**

The Trust has considered its academies and the Trust's financial position and in particular has taken account of projected pupil numbers, the demand for places and the broader educational landscape. The Board of Directors have reasonable expectations that the Trust has and will continue to have adequate resources to enable it to be a sustainable going concern for 2013/2014 and for the foreseeable future. For this reason the Trust continues to adopt the Going Concern principle in preparing its financial statements. Further details regarding the adoption of the Going Concern basis can be found in the statement of accounting policies.

---

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**Auditor**

In so far as the Board of 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

The auditors, Crowe Clark Whitehill LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting

The report of the Directors was approved by the members of the Board of Directors on 2 December 2013 and signed on its behalf by



**Tahir Alam, Chair**



**Lindsey Clark, Principal** <sup>Executive</sup>



---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT**

---

**SCOPE OF RESPONSIBILITY**

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

The Board of Directors has delegated the day-to-day responsibility to the Local Governing Body, 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 Park View Educational Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Directors/Trustees report and in the Directors/Governors' responsibilities statement. The Board of Directors has formally met 7 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

The last meeting of the Trust before it became a multi-academy Trust was held on the 10th September 2012.

Governor	Meetings attended	Out of a possible
Lindsey Clark	1	1
Tahir Alam	1	1
David Hughes	1	1
Nicola Benyahia	1	1
Arshad Hussain	1	1
Amjad Zaman	1	1
Iqbal Bahadar	1	1
Shaista Parveen	1	1
Ann Cudd	1	1

The Multi Academy Trust formed on the 1st October 2012.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
David Hughes	5	6
Tahir Alam	6	6
Nicola Benyahia	6	6
Lindsey Clark	6	6
Shahid Akmeel	6	6

On conversion Nansen Primary School a Park View Academy governance, strategy, direction, reports, etc., were dealt with by the Board of Directors.

A Performance/Appraisal/Salaries sub-group is formed by the full Board of Local Governing Body. Staff Governors will not form part of this committee as they would have a direct interest.

**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

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (continued)**

---

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 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 Park View Educational Trust for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Directors has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

**THE RISK AND CONTROL FRAMEWORK**

The trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors,
- regular reviews by the Strategic Business Managers of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties,
- identification and management of risks

The Board of Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Schools Financial Services (SFS), a , an external service provider,, as Responsible Officer (RO)

The RO's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. On a quarterly basis, the RO 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.

**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Local Governing Body 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 Responsible Officer,
- the work of the external auditor,
- the financial management and governance self-assessment process,
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (continued)**

---

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

Approved by order of the members of the Board of Directors on 2 December 2013 and signed on their behalf, by



**Tahir Alam**  
**Chair of Governors**



**Lindsey Clark**  
**Accounting Officer**

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of Park View Educational Trust I have considered my responsibility to notify the trust Board of Directors 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 (2012)

I confirm that I and the trust Board of Directors are able to identify any material, irregular or improper use of funds by the trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academies Financial Handbook (2012)

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date



**Lindsey Clark**  
**Accounting Officer**

Date 2 December 2013

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

The Governors (who act as governors of Park View Educational Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

Approved by order of the members of the Board of Directors on 2 December 2013 and signed on its behalf by



**Tahir Alam**  
**Chair of Governors**

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARK VIEW EDUCATIONAL TRUST**

---

We have audited the financial statements of Park View Educational Trust for the year ended 31 August 2013 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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 opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR**

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the academy 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 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 academy's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

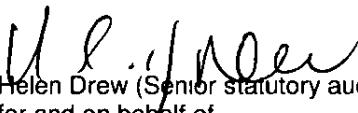
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARK VIEW EDUCATIONAL TRUST**

---

**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 Governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

  
Helen Drew (Senior statutory auditor)  
for and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG  
2 December 2013

---

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PARK VIEW  
EDUCATIONAL TRUST AND THE EDUCATION FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 7 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Park View Educational Trust during the year 1 September 2012 to 31 August 2013 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 Park View Educational Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Park View Educational Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Park View Educational Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF PARK VIEW EDUCATIONAL TRUST'S ACCOUNTING OFFICER  
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Park View Educational Trust's funding agreement with the Secretary of State for Education, and the Academies Financial Handbook extant from 1 September 2012, 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 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**


---

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PARK VIEW  
EDUCATIONAL TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

---

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Black Country House  
Rounds Green Road  
Oldbury  
West Midlands  
B69 2DG

2 December 2013

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)  
FOR THE YEAR ENDED 31 AUGUST 2013

		Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	As restated Total funds 2012 £
	Note					
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds						
Transfer from Local Authority on conversion	2	10,610	(825,000)	9,213,552	8,399,162	10,965,598
Activities for generating funds	3	107,766	-	-	107,766	11,695
Investment income	4	1,588	-	-	1,588	223
Incoming resources from charitable activities	5	166,860	8,452,765	104,771	8,724,396	1,951,932
<b>TOTAL INCOMING RESOURCES</b>		<b>286,824</b>	<b>7,627,765</b>	<b>9,318,323</b>	<b>17,232,912</b>	<b>12,929,448</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds						
Activities for generating funds		30,651	-	-	30,651	2,428
Charitable activities		157,023	7,919,267	300,771	8,377,061	1,871,936
Governance costs	10	-	97,095	-	97,095	37,220
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>187,674</b>	<b>8,016,362</b>	<b>300,771</b>	<b>8,504,807</b>	<b>1,911,584</b>
<b>NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS</b>		<b>99,150</b>	<b>(388,597)</b>	<b>9,017,552</b>	<b>8,728,105</b>	<b>11,017,864</b>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	As restated Total funds 2012 £
Transfers between Funds	19	-	(57,212)	57,212	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>99,150</b>	<b>(445,809)</b>	<b>9,074,764</b>	<b>8,728,105</b>	<b>11,017,864</b>
Actuarial gains and losses on defined benefit pension schemes		-	(1,000)	-	(1,000)	(104,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>99,150</b>	<b>(446,809)</b>	<b>9,074,764</b>	<b>8,727,105</b>	<b>10,913,864</b>
<i>Total funds at 1 September 2012</i>		<i>550,607</i>	<i>(717,024)</i>	<i>11,297,281</i>	<i>11,130,864</i>	-
Prior year adjustment (Note 18)		-	-	(217,000)	(217,000)	-
<b>TOTAL FUNDS AT 31 AUGUST 2013</b>		<b>649,757</b>	<b>(1,163,833)</b>	<b>20,155,045</b>	<b>19,640,969</b>	<b>10,913,864</b>

All activities relate to continuing operations

The Statement of Financial Activities includes all gains and losses recognised in the year

The notes on pages 22 to 44 form part of these financial statements

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)  
REGISTERED NUMBER 07949154

**BALANCE SHEET**  
**AS AT 31 AUGUST 2013**

	Note	£	2013 £	2012 £
<b>FIXED ASSETS</b>				
Tangible assets	15		20,076,583	11,065,886
<b>CURRENT ASSETS</b>				
Debtors	16	580,642		67,223
Cash at bank		1,441,279		631,687
		<u>2,021,921</u>		<u>698,910</u>
<b>CREDITORS</b> amounts falling due within one year	17	(847,535)		(113,932)
<b>NET CURRENT ASSETS</b>			<u>1,174,386</u>	<u>584,978</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>21,250,969</u>	<u>11,650,864</u>
Defined benefit pension scheme liability	27		<u>(1,610,000)</u>	<u>(737,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>19,640,969</u></u>	<u><u>10,913,864</u></u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted funds				
Restricted funds	19	446,167		19,976
Restricted fixed asset funds	19	20,155,045		11,080,281
Restricted funds excluding pension liability		<u>20,601,212</u>		<u>11,100,257</u>
Pension reserve		<u>(1,610,000)</u>		<u>(737,000)</u>
Total restricted funds			<u>18,991,212</u>	<u>10,363,257</u>
Unrestricted funds	19		<u>649,757</u>	<u>550,607</u>
<b>TOTAL FUNDS</b>			<u><u>19,640,969</u></u>	<u><u>10,913,864</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 2 December 2013 and are signed on their behalf, by



**Tahir Alam**  
**Chair of Trustees**

The notes on pages 22 to 44 form part of these financial statements

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	22	790,539	(119,643)
Returns on investments and servicing of finance	23	1,588	223
Capital expenditure and financial investment	23	6,855	14,395
Cash transferred on conversion to an academy trust	25	10,610	519,712
<b>INCREASE IN CASH IN THE YEAR</b>		<b>809,592</b>	<b>414,687</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	2013 £	2012 £
Increase in cash in the year	809,592	414,687
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>809,592</b>	<b>414,687</b>
Net funds at 1 September 2012	631,687	217,000
<b>NET FUNDS AT 31 AUGUST 2013</b>	<b>1,441,279</b>	<b>631,687</b>

The notes on pages 22 to 44 form part of these financial statements

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**1 ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 issued by the EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Format of financial statements**

The standard format for financial statements as required by the Companies Act 2006 schedule 4 part 1 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice "Accounting and Reporting Charities" issued in March 2005.

**1.3 Going concern**

The Academy has cash resources and has no requirement for external funding aside from the recurrent EFA grant funding. The directors have a reasonable expectation that the Charitable Company will have adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

**1.4 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.



---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**1 ACCOUNTING POLICIES (continued)**

**1.5 Incoming resources**

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability

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 provided to the academy 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 and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy 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 the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

---

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

---

**1. ACCOUNTING POLICIES (continued)**

**1.6 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.

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

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

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 are 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's depreciation policy.

Tangible fixed assets acquired since the Academy was established are included in the financial statements at cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	50 years
Motor vehicles	-	4 years
Fixtures & fittings	-	10 years
Computer equipment	-	3 years
Sports equipment	-	5 years

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**1. ACCOUNTING POLICIES (continued)**

**1.8 Taxation**

The academy 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 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.

**1.9 Pensions**

Retirement benefits to employees of the academy 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.

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the academy 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 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 the 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 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.

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**1. ACCOUNTING POLICIES (continued)**

**1 10 Conversion to an academy trust**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method

The assets and liabilities transferred on conversion from Nansen Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 25

**1.11 Recognition of liabilities**

Liabilities are recognised when either a constructive or legal obligation exists

**2. VOLUNTARY INCOME**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Transfer of assets from Local Authority on conversion	-	9,213,552	9,213,552	11,065,886
Local Authority surplus on conversion	10,610	-	10,610	519,712
Pension scheme liability on conversion	-	(825,000)	(825,000)	(620,000)
	<u>10,610</u>	<u>8,388,552</u>	<u>8,399,162</u>	<u>10,965,598</u>
Voluntary income	<u>10,610</u>	<u>8,388,552</u>	<u>8,399,162</u>	<u>10,965,598</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Other income	<u>107,766</u>	<u>-</u>	<u>107,766</u>	<u>11,695</u>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**4. INVESTMENT INCOME**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Bank interest	1,588	-	1,588	223

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Funding for educational operations	149,707	8,557,536	8,707,243	1,947,363
School trip income	17,153	-	17,153	4,569
	<u>166,860</u>	<u>8,557,536</u>	<u>8,724,396</u>	<u>1,951,932</u>

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Capital grants	-	104,771	104,771	14,395
General annual grant (GAG)	-	7,350,479	7,350,479	1,787,033
Other grants	-	1,102,286	1,102,286	104,800
Other income	149,707	-	149,707	41,135
	<u>149,707</u>	<u>8,557,536</u>	<u>8,707,243</u>	<u>1,947,363</u>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2013 £	Depreciation 2013 £	Other costs 2013 £	Total 2013 £	Total 2012 £
Activities for generating funds	28,480	-	2,171	30,651	2,428
<b>Costs of generating funds</b>	<b>28,480</b>	<b>-</b>	<b>2,171</b>	<b>30,651</b>	<b>2,428</b>
Funding for educational operations	4,040,615	-	340,449	4,381,064	1,114,091
Support costs	2,298,274	300,771	1,396,952	3,995,997	757,845
<b>Charitable activities</b>	<b>6,338,889</b>	<b>300,771</b>	<b>1,737,401</b>	<b>8,377,061</b>	<b>1,871,936</b>
<b>Governance</b>	<b>-</b>	<b>-</b>	<b>97,095</b>	<b>97,095</b>	<b>37,220</b>
	<b>6,367,369</b>	<b>300,771</b>	<b>1,836,667</b>	<b>8,504,807</b>	<b>1,911,584</b>

**7 ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2013 £	Support costs 2013 £	Total 2013 £	Total 2012 £
Funding for educational operations	4,381,064	3,995,997	8,377,061	1,871,936

**8. DIRECT COSTS**

	Educational operations £	Total 2013 £	Total 2012 £
Administration expenses	60,276	60,276	-
Education supplies	211,547	211,547	23,969
Examination fees	68,626	68,626	7,750
Wages and salaries	3,376,518	3,376,518	802,468
National insurance	293,836	293,836	134,969
Pension cost	370,261	370,261	144,935
	<b>4,381,064</b>	<b>4,381,064</b>	<b>1,114,091</b>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**9. SUPPORT COSTS**

	Educational operations £	Total 2013 £	Total 2012 £
Maintenance of premises and equipment	251,952	251,952	73,465
Cleaning	95,801	95,801	4,176
Rent and rates	72,799	72,799	55,876
Insurance	63,568	63,568	11,715
Other support costs	730,112	730,112	154,166
Pension finance charge	50,000	50,000	12,000
Professional fees	132,720	132,720	66,726
Wages and salaries	1,989,885	1,989,885	294,986
National insurance	121,045	121,045	42,687
Pension cost	187,344	187,344	42,048
Depreciation	300,771	300,771	-
	<u>3,995,997</u>	<u>3,995,997</u>	<u>757,845</u>

**10. GOVERNANCE COSTS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Auditors' remuneration	-	9,838	9,838	10,000
Auditors' non audit costs	-	2,000	2,000	2,000
Legal and professional fees	-	85,257	85,257	25,220
	<u>-</u>	<u>97,095</u>	<u>97,095</u>	<u>37,220</u>

**11. AUDITORS' REMUNERATION**

	2013 £	2012 £
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	13,750	10,000
Fees payable to the academy's auditor and its associates in respect of		
All other non-audit services not included above	<u>2,000</u>	<u>2,000</u>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**12. STAFF COSTS**

Staff costs were as follows

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>4,726,247</b>	<b>996,884</b>
Social security costs	<b>414,881</b>	<b>177,656</b>
Other pension costs (Note 27)	<b>557,605</b>	<b>186,982</b>
	<b>5,698,733</b>	<b>1,361,522</b>
Supply staff costs	<b>668,636</b>	<b>100,571</b>
	<b>6,367,369</b>	<b>1,462,093</b>

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

	<b>2013</b>	<b>2012</b>
	<b>No</b>	<b>No</b>
Park View	<b>117</b>	<b>102</b>
Nansen School	<b>121</b>	<b>0</b>
	<b>238</b>	<b>102</b>

The number of employees whose emoluments fell within the following bands was

	<b>2013</b>	<b>2012</b>
	<b>No</b>	<b>No</b>
In the band £60,001 - £70,000	<b>1</b>	<b>1</b>
In the band £70,001 - £80,000	<b>1</b>	<b>0</b>
In the band £80,001 - £90,000	<b>1</b>	<b>1</b>
In the band £90,001 - £100,000	<b>1</b>	<b>0</b>
	<b>4</b>	<b>2</b>

The higher paid employees were both members of the Teachers Pension Scheme Contributions paid during the period by the Academy were £44,922 (2012 £9,568)

2 compromise agreements were agreed during the year, with a total value of £26,250



---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**13. GOVERNORS' REMUNERATION AND EXPENSES**

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of Governors' remuneration (including employers pension contributions) fell within the following bands:

	2013 £	2012 £
Lindsey Clark	105,000-110,000	40,000-45,000
Amjad Zaman	0-5,000	15,000-20,000
Amjad Riaz	0-5,000	-
Shaista Parveen	0-5,000	-
Moz Hussain	5,000-10,000	-

During the year, no Governors received any reimbursement of expenses (2012 - £NIL)

**14. GOVERNORS' 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 £10,000,000 on any one claim. The cost for the year ended 31 August 2013 was £306 (2012 - £252).

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

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**15. TANGIBLE FIXED ASSETS**

	L/Term Leasehold Property £	Fixtures & fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2012 (as previously stated)	11,100,000	11,806	171,080	11,282,886
Prior year adjustment	(217,000)	-	-	(217,000)
At 1 September 2012 (as restated)	10,883,000	11,806	171,080	11,065,886
Additions	8,959,346	200,802	151,320	9,311,468
At 31 August 2013	19,842,346	212,608	322,400	20,377,354
<b>Depreciation</b>				
At 1 September 2012	-	-	-	-
Charge for the year	173,101	20,246	107,424	300,771
At 31 August 2013	173,101	20,246	107,424	300,771
<b>Net book value</b>				
At 31 August 2013	19,669,245	192,362	214,976	20,076,583
At 31 August 2012 (as restated)	10,883,000	11,806	171,080	11,065,886

Included in land and buildings is land at valuation of £4,526,500 which is not depreciated

The above net book value at 31 August 2013 represents fixed assets used for provision of education

On 1 October 2012 the Nansen Academy buildings were transferred to the Academy on a peppercorn lease of 125 years. The land and buildings were valued on the existing use basis in accordance with the Charities SORP. A valuation was sought at the same time for the Park View Academy buildings transferred in the prior year at insurance value. The effect of this new valuation has been accounted for as a prior year adjustment.

**16. DEBTORS**

	2013 £	2012 £
Trade debtors	20,400	9,240
Other debtors	161,823	34,956
Prepayments and accrued income	398,419	23,027
	580,642	67,223

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**17. CREDITORS**

Amounts falling due within one year

	2013 £	2012 £
Trade creditors	366,259	81,581
Other taxation and social security	249,791	-
Other creditors	228	7,728
Accruals and deferred income	231,257	24,623
	<u>847,535</u>	<u>113,932</u>

**18. PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been recognised to revalue the value of land and buildings donated to Park View Academy to the amount based on a full valuation assessed on an existing use basis at depreciated replacement costs rather than the insurance coverage previously obtained and used

**19. STATEMENT OF FUNDS**

	Brought Forward <i>As restated</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
Unrestricted funds	550,607	286,824	(187,674)	-	-	649,757
<b>Restricted funds</b>						
Other Grants	2,572	1,102,286	(1,104,858)	-	-	-
General Annual Grant	17,404	7,350,479	(6,864,504)	(57,212)	-	446,167
Pension reserve	(737,000)	(825,000)	(47,000)	-	(1,000)	(1,610,000)
	<u>(717,024)</u>	<u>7,627,765</u>	<u>(8,016,362)</u>	<u>(57,212)</u>	<u>(1,000)</u>	<u>(1,163,833)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds	11,080,281	9,318,323	(300,771)	57,212	-	20,155,045
Total restricted funds	<u>10,363,257</u>	<u>16,946,088</u>	<u>(8,317,133)</u>	<u>-</u>	<u>(1,000)</u>	<u>18,991,212</u>
Total of funds	<u>10,913,864</u>	<u>17,232,912</u>	<u>(8,504,807)</u>	<u>-</u>	<u>(1,000)</u>	<u>19,640,969</u>

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**19. STATEMENT OF FUNDS (continued)**

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

**Restricted general funds**

This fund represents grants received for the Academy's operational activities and development

**Restricted fixed asset fund**

This fund represents the carrying value of the fixed assets that have been funded by grants from the EFA plus amounts received to be expended in the future on fixed assets

**Gains and losses**

These represent the actuarial gains and losses on the Local Government Pension Scheme

**Transfers**

These represent funds transferred from GAG to fund capital purchases

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2013 were allocated as follows

	<b>Total £</b>
Park View Educational Trust	<b>165,392</b>
Park View Academy	<b>997,815</b>
Nansen Academy	<b>(67,283)</b>
	<hr/>
Total before fixed asset fund and pension reserve	<b>1,095,924</b>
Restricted fixed asset fund	<b>20,155,045</b>
Pension reserve	<b>(1,610,000)</b>
	<hr/>
Total	<b>19,640,969</b>
	<hr/>

The following academy is carrying a net deficit on its portion of the funds as follows

<b>Name of academy</b>	<b>Amount of deficit £</b>
Nansen Academy	<b>67,283</b>

The deficit has occurred due to the direct result of an extensive re-structuring of staff at Nansen, which incurred substantial redundancy payments. This involved both individuals at senior management level and support staff

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**19 STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY COST**

Expenditure incurred by each academy during the year was as follows

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total £
Park View Educational Trust	-	113,717	-	73,417	187,134
Park View Academy	2,472,026	803,879	125,363	1,235,167	4,636,435
Nansen Academy	1,568,589	1,380,678	76,421	643,917	3,669,605
	<u>4,040,615</u>	<u>2,298,274</u>	<u>201,784</u>	<u>1,952,501</u>	<u>8,493,174</u>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	20,076,584	20,076,584	11,065,886
Current assets	649,757	1,293,703	78,461	2,021,921	698,910
Current liabilities	-	(847,536)	-	(847,536)	(113,932)
Defined pension scheme liability	-	(1,610,000)	-	(1,610,000)	(737,000)
	<u>649,757</u>	<u>(1,163,833)</u>	<u>20,155,045</u>	<u>19,640,969</u>	<u>10,913,864</u>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**21. CENTRAL SERVICES**

The academy has provided the following central services to its academies during the year

- Leadership, Finance and Administrative support
- Audit fees
- Governance costs

The academy charges for these services on the following basis

A flat rate 4% percentage of income

The actual amounts charged during the year were as follows

	2013 £
Park View Academy	174,002
Nansen Academy	115,135
Total	<u>289,137</u>

**22. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2013 £	2012 £
Net incoming resources before revaluations	8,728,105	11,017,864
Returns on investments and servicing of finance	(1,588)	(223)
Cash received on conversion	(10,610)	(519,712)
Assets transferred on conversion	(9,213,552)	(11,282,886)
Depreciation of tangible fixed assets	300,771	-
Capital grants from DfE	(104,771)	(14,395)
Increase in debtors	(513,419)	(67,223)
Increase in creditors	733,603	113,932
FRS 17 adjustments	872,000	633,000
<b>Net cash inflow/(outflow) from operations</b>	<u>790,539</u>	<u>(119,643)</u>

**23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>1,588</u>	<u>223</u>

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**23 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	2013 £	2012 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(97,916)	-
Capital grants from DfE	104,771	14,395
<b>Net cash inflow capital expenditure</b>	<u>6,855</u>	<u>14,395</u>

**24 ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand	631,687	809,592	-	1,441,279
<b>Net funds</b>	<u>631,687</u>	<u>809,592</u>	<u>-</u>	<u>1,441,279</u>

**SUMMARY OF FUNDS**

	Brought Forward <i>As restated</i> £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	550,607	286,824	(187,674)	-	-	649,757
Restricted funds	(717,024)	7,627,765	(8,016,362)	(57,212)	(1,000)	(1,163,833)
Restricted fixed asset funds	11,080,281	9,318,323	(300,771)	57,212	-	20,155,045
	<u>10,913,864</u>	<u>17,232,912</u>	<u>(8,504,807)</u>	<u>-</u>	<u>(1,000)</u>	<u>19,640,969</u>

**25 CONVERSION TO AN ACADEMY TRUST**

On 1 October 2012 Nansen Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Park View Educational Trust from Birmingham City Council for £NIL consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	8,876,700	8,876,700
- Other tangible fixed assets	-	-	336,852	336,852
Budget surplus/(deficit) on LA funds	10,610	-	-	10,610
LGPS pension surplus/(deficit)	-	(825,000)	-	(825,000)
Net assets/(liabilities)	<u>10,610</u>	<u>(825,000)</u>	<u>9,213,552</u>	<u>8,399,162</u>

The above net assets include £10,610 that were transferred as cash

**26. CAPITAL COMMITMENTS**

At 31 August 2013 the academy had capital commitments as follows

	2013 £	2012 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>-</u>

The trust is committed to funding payments under the PFI Scheme of approximately £300,000 per annum over the next 15 years. Separate funding will be received from the EFA towards these costs.



---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**27. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. 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 related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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**

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government

---

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

---

**27. PENSION COMMITMENTS (continued)**

Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

**Teachers' Pension Scheme Changes**

Lord Hutton published his final report in March 2011 and made recommendations 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 and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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. Importantly, 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 just 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 were to be phased in from April 2012 on a 40/80/100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy 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 academy has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds.

---

**PARK VIEW EDUCATIONAL TRUST**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**27. PENSION COMMITMENTS (continued)**

The total contribution made for the year ended 31 August 2013 was £355,000, of which employer's contributions totalled £291,000 and employees' contributions totalled £64,000. The agreed contribution rates for future years are 11.2% for employers and between 5.5% and 7.2% 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.

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**27. PENSION COMMITMENTS (continued)**

The academy's share of the assets and liabilities in the scheme and the expected rates of return were

	<b>Expected return at 31 August 2013 %</b>	<b>Fair value at 31 August 2013 £</b>	<b>Expected return at 31 August 2012 %</b>	<b>Fair value at 31 August 2012 £</b>
Equities	7.00	638	7 00	299
Government Bonds	3.40	127	2 50	51
Other Bonds	4.40	168	3 40	54
Property	5.70	131	6 00	56
Cash/liquidity	0.50	61	0 50	9
Other - user input	7.00	379	7 00	81
Total market value of assets		<u>1,504</u>		<u>550</u>
Present value of scheme liabilities		<u>(3,114)</u>		<u>(1,287)</u>
(Deficit)/surplus in the scheme		<u><u>(1,610)</u></u>		<u><u>(737)</u></u>

The amounts recognised in the Balance sheet are as follows

	<b>2013 £</b>	<b>2012 £</b>
Present value of funded obligations	(3,114,000)	(1,287,000)
Fair value of scheme assets	<u>1,504,000</u>	<u>550,000</u>
Net liability	<u><u>(1,610,000)</u></u>	<u><u>(737,000)</u></u>

The amounts recognised in the Statement of financial activities are as follows

	<b>2013 £</b>	<b>2012 £</b>
Current service cost	(191,000)	(31,000)
Losses on curtailments and settlements	(97,000)	-
Interest cost	(121,000)	(25,000)
Expected return on scheme assets	<u>71,000</u>	<u>13,000</u>
Total	<u><u>(338,000)</u></u>	<u><u>(43,000)</u></u>
Actual return on scheme assets	<u><u>(140,000)</u></u>	<u><u>(8,000)</u></u>

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average assumptions appropriate to the individual asset classes weighted by the proportion of the assets in the particular asset class.

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**27 PENSION COMMITMENTS (continued)**

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

	2013 £	2012 £
Opening defined benefit obligation	1,287,000	-
Current service cost	191,000	31,000
Actuarial Losses	71,000	99,000
Losses on curtailments	97,000	-
Liabilities assumed in a business combination	1,460,000	1,120,000
Interest cost	121,000	25,000
Contributions by employees	64,000	12,000
Benefits paid	(177,000)	-
	<u>3,114,000</u>	<u>1,287,000</u>
Closing defined benefit obligation	<u>3,114,000</u>	<u>1,287,000</u>

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

	2013 £	2012 £
Opening fair value of scheme assets	550,000	-
Actuarial gains and (losses)	70,000	(5,000)
Contributions by employer	291,000	30,000
Expected return on assets	71,000	13,000
Assets assumed on conversion	635,000	500,000
Contributions by employees	64,000	12,000
Benefits paid	(177,000)	-
	<u>1,504,000</u>	<u>550,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £NIL (2012 - £NIL)

The academy expects to contribute £NIL to its Defined benefit pension scheme in 2014

The major categories of scheme assets as a percentage of total scheme assets are as follows

	2013	2012
Equities	42.40 %	54.40 %
Government bonds	8.40 %	9.20 %
Other bonds	11.20 %	9.90 %
Property	8.70 %	10.10 %
Cash/Liquidity	4.10 %	1.60 %
Other	25.20 %	14.80 %

**PARK VIEW EDUCATIONAL TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2013**

**27 PENSION COMMITMENTS (continued)**

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages)

	2013	2012
Discount rate for scheme liabilities	4.60 %	4.50 %
Expected return on scheme assets at 31 August	5.89 %	5.89 %
Rate of increase in salaries	4.15 %	4.05 %
Rate of increase for pensions in payment / inflation	2.40 %	2.30 %
Inflation assumption (CPI)	2.40 %	2.30 %
Commutation of pensions to lump sums	50.00 %	50.00 %

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

	2013	2012
Retiring today		
Males	22.1	22
Females	24.8	24.7
Retiring in 20 years		
Males	23.9	23.8
Females	26.7	26.6

Amounts for the current and previous period are as follows

Defined benefit pension schemes

	2013 £	2012 £
Defined benefit obligation	(3,114,000)	(1,287,000)
Scheme assets	1,504,000	550,000
Deficit	(1,610,000)	(737,000)
Experience adjustments on scheme liabilities	(71,000)	(99,000)
Experience adjustments on scheme assets	70,000	(5,000)

**28. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a governors has 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.