

**GLOUCESTERSHIRE AFRO - CARIBBEAN ASSOCIATION LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

**COMPANY NUMBER 2903361**

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# **GLOUCESTERSHIRE AFRO - CARIBBEAN ASSOCIATION LIMITED**

## **COMPANY INFORMATION**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

### **Principal Activity**

The principal activity of the company is to act as an umbrella organisation for the African and Caribbean Communities in Gloucestershire providing information, advice and where required advocacy

### **Review Activities**

Details of the performance of the Charity are as shown in the Statement of Financial Activities

### **Constitution**

IT IS A NOT FOR PROFIT COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL  
IT IS ALSO A CHARITY REGISTERED WITH THE CHARITY COMMISSION  
CHARITY NUMBER 1036396

### **Directors**

The present Directors/Trustees and those who served during the period were:-

Mr Howard Francis  
Mr Paul Mathurin  
Mrs Yvonne Rickards  
Mrs Dee Russell-Thomas  
Mrs Sado Jirde  
Mr Leroy Philpotts

Mrs Pauline Reynolds Company Secretary

### **Registered Office**

213 Barton Street  
Gloucester GL1 4HY

**Company Number** 2814966

**Bankers** Yorkshire Bank  
Northgate Street  
Gloucester  
GL1 5AH

**GLOUCESTERSHIRE AFRO-CARIBBEAN ASSOCIATION LIMITED****ABBREVIATED FINANCIAL STATEMENTS**

(Company number 2903361)

**BALANCE SHEET****AS AT 31 MARCH 2013**

		2013		2012	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	2		20,069		20,762
<b>Current assets -</b>					
Cash in hand and at bank		4,505		6,520	
Debtors		<u>263</u>		<u>635</u>	
		4,768		7,155	
<b>Creditors: amounts falling</b>					
due within one year - accruals		<u>(2,573)</u>		<u>(3,383)</u>	
<b>Net current assets</b>			2,195		3,772
<b>Net assets</b>			<u>22,263</u>		<u>24,534</u>
<b>Represented by</b>					
<b>Accumulated funds:</b>					
General fund			(9,249)		(10,866)
Restricted funds			31,512		35,400
			<u>22,263</u>		<u>24,534</u>

For the year ended 31 March 2013 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

**Director's responsibilities**

(a) the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476

(b) the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These accounts were approved by the trustees on 12 December 2013 and are signed on their behalf by



Howard Francis

Director

# **GLOUCESTERSHIRE AFRO-CARIBBEAN ASSOCIATION LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2013**

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### **1. Accounting Policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, in accordance with and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and the Companies Act 2006 and comply with the Statement of Recommended Practice Accounting and Reporting by Charities. The policies adopted for items which are judged material to the financial statements are as follows:

#### **Going concern**

The directors have reviewed their projected cash flows over the coming period and consider that they are able to meet their liabilities as they fall due. For this reason, the accounts have been prepared on the going concern basis.

#### **Incoming resources**

Voluntary income, including donations under Gift Aid, are recognised as income when received. Where applicable, associated income tax recovery is recognised when the recovery is receivable. Grants, where related to performance, are recognised as income when the right to income is earned. Interest is recognised as income when receivable.

#### **Resources expended**

Costs of activities in furtherance of the charity's objects comprise those costs incurred by the charity as a result of the delivery of its service. Costs of generating funds comprise the costs associated with attracting voluntary income. Governance costs comprise those costs incurred by the charity in meeting its constitutional and statutory requirements.

#### **Fixed assets and depreciation**

Tangible fixed assets are included in the balance sheet at cost less depreciation.

Depreciation is generally calculated so that the cost of tangible fixed assets less their residual value are:

Freehold property	Over 50 years
Equipment	25% of written down value

#### **Funds**

Restricted funds represent the funds specifically earmarked for the charity's property and other projects,

Unrestricted funds are funds which can be utilised at the discretion of the trustees.

## 2. Tangible fixed assets

	Freehold property	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
As at 1 April 2012	30,000	30,176	60,176
Additions	-	-	-
As at 31 March 2013	<u>30,000</u>	<u>30,176</u>	<u>60,176</u>
<b>Depreciation</b>			
As at 1 April 2012	9,600	29,818	39,418
Provided in year	600	90	690
As at 31 March 2013	<u>10,200</u>	<u>29,908</u>	<u>40,108</u>
<b>Net book value</b>			
As at 31 March 2013	<u>19,800</u>	<u>269</u>	<u>20,069</u>
As at 31 March 2012	<u>20,400</u>	<u>358</u>	<u>20,758</u>

All fixed assets above are used in direct furtherance of the Charity's objectives

# GLOUCESTERSHIRE AFRO-CARIBBEAN ASSOCIATION LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an income and expenditure account)

YEAR ENDED 31 MARCH 2013

		2013			2012
		General Fund	Restricted Funds	Total	Total
		£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	10,170	-	10,170	15,869
Activities for generating funds		455	-	455	-
Investment income		-	-	-	-
		10,625	-	10,625	15,869
Incoming resources from charitable activities					
	3	451	-	451	
Other incoming resources					
		3,540	-	3,540	2,153
Total incoming resources					
		14,616	-	14,616	18,022
Resources expended					
	4				
Charitable activities	5	12,749	3,888	16,637	18,361
Governance costs		250	-	250	250
Total resources expended					
		12,999	3,888	16,887	18,611
Net income (expenditure) for the year					
		1,617	(3,888)	(2,271)	(589)
Funds brought forward					
		(10,866)	35,400	24,534	25,123
Funds carried forward					
		(9,249)	31,512	22,263	24,534

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

## Westfield Academy Trust

### Notes to the Financial Statements for the year ended 31 August 2013

continued

#### 25. Members' Liability

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

#### 26 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 Somerset 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 August 2012

Contributions amounting to £49,500 (2012 £47,978) were payable to the schemes at 31 August 2013 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) 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 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

## Westfield Academy Trust

### Notes to the Financial Statements for the year ended 31 August 2013

continued

#### 26. Pension and similar obligations (continued)

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  $\frac{1}{57}^{\text{th}}$ , 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 the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £196,000 of which employer's contributions totalled £144,000 and employees' contributions totalled £52,000. The agreed contribution rates for future years are 15.1 per cent for employers and between 5.5 per cent and 8.2 per cent for employees.

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





# Westfield Academy Trust

## Notes to the Financial Statements for the year ended 31 August 2013

continued

### 26. Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

##### Principal actuarial assumptions

	At 31 August 2013	At 31 August 2012
RPI increase	3.70%	2.70%
CPI increase	2.90%	1.90%
Salary increase	5.10%	4.10%
Pension increase	2.90%	1.90%
Discount rate	4.70%	3.90%

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

	At 31 August 2013	At 31 August 2012
Retiring today		
Males	20.10	20.00
Females	24.10	24.00
Retiring in 20 years		
Males	22.10	22.00
Females	26.00	25.90

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

	Expected Return at 31 August 2013	Fair value at 31 August 2013 £	Expected Return at 31 August 2012	Fair value at 31 August 2012 £
Equities	6.50%	668,000	5.80%	434,000
Gilts	3.50%	55,000	2.80%	37,000
Other bonds	4.40%	101,000	3.90%	81,000
Property	5.50%	73,000	4.80%	62,000
Cash	0.50%	18,000	0.50%	6,000
<b>Total market value of assets</b>		<b>915,000</b>		<b>620,000</b>
Present value of scheme liabilities				
- Funded		(2,668,000)		(2,143,000)
<b>Surplus/(deficit) in the scheme</b>		<b>(1,753,000)</b>		<b>(1,523,000)</b>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield 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 £102,000 (2012: £40,000)

# Westfield Academy Trust

## Notes to the Financial Statements for the year ended 31 August 2013

continued

### 26. Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

#### Amounts recognised in the Statement of Financial Activities

	2013 £	2012 £
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Current service cost (net of employer contributions)	88,000	64,000
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<b>Total operating charge</b>	<b>88,000</b>	<b>64,000</b>
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#### Analysis of pension finance income/(costs)

Expected return on pension scheme assets	37,000	32,000
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Interest on pension liabilities	(89,000)	(92,000)
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<b>Pension finance costs</b>	<b>(52,000)</b>	<b>(60,000)</b>
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The actuarial gains and losses for the current period 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 a £739,000 loss (2012: £803,000 loss).

#### Movements in the present value of defined benefit obligations were as follows.

	2013 £	2012 £
At 1 September 2012	2,143,000	-
Upon conversion to academy status	-	1,494,000
Current service cost	232,000	196,000
Interest cost	89,000	92,000
Actuarial loss	154,000	284,000
Benefit paid	(2,000)	24,000
Contributions by scheme participants	52,000	53,000
<b>At 31 August 2013</b>	<b>2,668,000</b>	<b>2,143,000</b>

# Westfield Academy Trust

## Notes to the Financial Statements for the year ended 31 August 2013

continued

### 26 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

Movements in the fair value of academy's share of scheme assets:	2013 £	2012 £
At 1 September 2012	620,000	-
Upon conversion to academy status	-	370,000
Expected return on assets	37,000	32,000
Actuarial gain	64,000	9,000
Employer contributions (including unfunded)	144,000	132,000
Scheme participants contributions	52,000	53,000
Benefits paid	(2,000)	24,000
<b>At 31 August 2013</b>	<b>915,000</b>	<b>620,000</b>

The estimated value of employer contributions for the year ended 31 August 2014 is £131,000

#### History of experience adjustments is as follows:

	2013 £	2012 £
Present value of defined benefit obligations	(2,668,000)	(2,143,000)
Fair value of share of scheme assets	915,000	620,000
<b>Deficit in the scheme</b>	<b>(1,753,000)</b>	<b>(1,523,000)</b>
Experience adjustments on share of scheme assets	64,000	9,000
Experience adjustments on scheme liabilities	-	-
	<b>2013 £</b>	<b>2012 £</b>
At 1 September 2012	(1,523,000)	-
Upon conversion to academy status	-	(596,000)
Restatement to FRS 17 basis	-	(528,000)
	<b>(1,523,000)</b>	<b>(1,124,000)</b>
<b>Movement during the period:</b>		
Current service cost	(232,000)	(196,000)
Employer contributions	144,000	132,000
Other finance costs	(52,000)	(60,000)
Actuarial loss	(90,000)	(275,000)
<b>Deficit in scheme at the end of the period</b>	<b>(1,753,000)</b>	<b>(1,523,000)</b>

**Westfield Academy Trust**

**Notes to the Financial Statements for the year ended 31 August 2013**

continued

**27 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.

During the year ended 31 August 2013 there were no transactions with related parties.