

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 19
Governance Statement	20 - 25
Statement on Regularity, Propriety and Compliance	26
Statement of Trustees' Responsibilities	27
Independent Auditors' Report on the Financial Statements	28 - 30
Independent Reporting Accountant's Report on Regularity	31 - 32
Statement of Financial Activities Incorporating Income and Expenditure Account	33 - 34
Balance Sheet	35 - 36
Statement of Cash Flows	37
Notes to the Financial Statements	38 - 73

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	M Mock V Nel P Stein (appointed 1 September 2018) J Hanson (appointed 1 September 2018) P Blyth (appointed 1 September 2018)
Trustees	A Pierce (appointed 2 September 2019) A Cotton, CEO (reappointed 1 September 2018) ¹ J Byrne (appointed 1 September 2018) C Tope (appointed 1 September 2018) C Rice (appointed 1 September 2018) ¹ P Stein, Chair (appointed 1 September 2018) ¹ G Cockell, Vice Chair (appointed 1 September 2018) N Hookway (appointed 1 September 2018) ¹ ¹ Audit Committee
Company registered number	07700494
Company name	Tarka Learning Partnership
Principal and Registered office	Newport Community School Primary Academy Landkey Road Newport Barnstaple Devon EX32 9BW
Company secretary	M Cann (until 30 April 2019), D Oliver (from 1 May 2019)
Accounting & Chief Executive Officer	A Cotton
Senior management team	A Cotton, Chief Executive Officer (CEO) Trust Central Leadership Team M Cann, Chief Finance Officer (CFO) Trust Central Leadership Team School Leaders Group comprises: A Ogden, Deputy CEO / Teaching School Director A Yates, Head Teacher - Newport Community School Primary Academy (from 1 January 2019) G Roscoe, Head Teacher - The Park Community School K Fairbrother, Head Teacher - Landkey Community Primary Academy S Warner, Head Teacher - Sticklepath Community School J Walters, Acting Head Teacher - Eden Park Academy (until 31 August 2019) G Courtenay, Acting Head Teacher - Newport Community School Primary Academy (until 31 December 2018) P Lewis, Head Teacher - Eden Park Academy (from 1 September 2019)

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
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Bankers	Lloyds Bank PLC Barnstaple
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**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 4 primary and 1 secondary academies in a 3-mile radius of Barnstaple. Its academies have a combined pupil capacity of 2748 and had a roll of 2569 in the school census on January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Tarka Learning Partnership (TLP) are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

**Trade union facility time
Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£	
Total cost of facility time	349	
Total pay bill	9,150,217	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. This is provided through the Risk Protection Arrangement (RPA) provided by the ESFA which offers an unlimited level of protection.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 6 Trustees who are appointed by members.
- up to 2 Trustees who are appointed by the Exeter Diocesan Education Network (EDEN)
- the Chief Executive Officer who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

The Diocese of Exeter is empowered under article 50A to appoint Trustees through their corporate entity known as EDEN.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

Parents are represented at Local Governing Body level.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of the Governors Handbook, policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Advantage is taken of specific courses offered by various training bodies. The Trust subscribes to the National Association of Governors.

Organisational Structure

The Board of Trustees meets at least once each term. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports from the Local Governing Bodies who are responsible for the day to day operations of their Academy, and policies from its Committees for ratification. It monitors the activities of the Local Governing Bodies and Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Local Governing Bodies are as follows

- Newport Community School Primary Academy
- Sticklepath Community Primary Academy
- The Park Community School
- Landkey Community Primary Academy
- Eden Park Academy

The Board of Directors have an Audit Committee who meet at least 3 time each year.

The Trustees are responsible for setting general policy, adopting an annual plan and Trust budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and Head Teacher appointments.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

The School Leaders group make up the wider senior management team across the Trust. The group meet on a 3-weekly basis to discuss strategic direction and whole Trust developments.

The Chair of Governors group also meet once per half term to receive updates on Trust developments and give the voice of the Local Governing Bodies back to the central team.

The Chief Executive Officer is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year in respect of their role as a Trustee.

The pay of key management personnel is reviewed annually and pay awards are made based against performance management targets. The Trustees adopted an externally supported process to set the salaries of the Chief Executive Officer and the Chief Finance Officer using benchmarking and market analysis to support decision making.

Connected Organisations, including Related Party Relationships

The register of declared interests discloses Andy Cotton, CEO of Tarka Learning Partnership and Karen Hayes, teacher at Eden Park Academy as connected parties. There have been no changes in relation to this connected party since the TUPE process on 1st July 2018.

The Trust hosts the activities of the Devon Teaching School Partnership [DTSP] which is run alongside the Devon Primary SCITT. The DTSP is a partnership of 49 schools and offers a range of CPD for teachers from Newly Qualified Teacher courses to Leadership training along with a number of projects to support school improvement.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Tarka Learning Partnership is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing the academies within the Trust, offering a broad range of curriculum for pupils of different abilities and need between the ages of 2 - 16.

The Trust also has a specialist provision at Newport school for children with autism, known as the CAIRB (Communication and Interaction Resource Base). This facility is run in conjunction with Devon County Council through a service level agreement.

The Trust runs the Devon Teaching School Partnership with a strong emphasis on Initial teacher Training provided through Devon Primary SCITT.

The Vision and Values of the Tarka Learning Partnership

'Empowering young people in North Devon through learning'

Aspiration: We promote the love of learning and empower young people to raise their aspirations through challenge, effective partnership, celebrating achievement and support for all, regardless of background and individual need.

Equality: We support vulnerable individuals and groups within our community and embrace both diversity and equality of opportunity.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Pupil and Staff Well-Being: We ensure all staff and young people are given the appropriate training, support and care to promote well-being for all.

Safeguarding: We champion the highest standards of safeguarding through a commitment by all, to our young people.

Teaching and Learning: We strive for a high-quality learning culture in every school, through the development of teaching and learning, leadership and governance, whilst valuing the individuality.

Curriculum Innovation: We commit to the development of a high quality, challenging, broad and balanced curriculum which is responsive to the needs of the young people and the wider world.

Values: We ensure openness, honesty, respect, tolerance and integrity in all we do.

Community: We invest in the young people and families of North Devon through connecting education and the needs of our local communities.

Support Services: We will ensure that we deliver high quality services to schools, so that staff can focus on the provision of high-quality teaching and learning and achieve a successful work-life balance.

Outlook: We reflect, respond and adapt to the changing world and its impact on education, regionally, nationally and globally.

Objectives, Strategies and Activities

The Tarka Learning Partnership formally commenced its work on 1st July 2018 following the conversion of Newport Community Primary Academy from a stand-alone academy to a multi academy trust and with the conversion of 3 other primary schools. The following Trust improvement targets for 2018-19 were set through a collaborative exercise

- To establish a culture of trust, co-operation and collaboration across Trust schools
- To ensure the whole Trust community understand the vision
- Develop Trust wide KPI's to measure the performance and quality of the Trust's work across a range of areas
- To establish a coherent and clear school improvement system which has impact on pupil and staff outcomes
- To create a calendar of opportunities for pupil collaboration/learning
- To create a strong, clear, coherent governance at both board and local governing body levels in the first year of operation
- To develop a whole Trust Self Evaluation System (SEF) system to measure the performance of the Trust and each partner school within the first year of operation
- To establish key communication systems across the Trust – email, shared document storage for staff, shared Governance system, public access to key documents, Trust web site, safeguarding system, data system, finance
- To create a calendar of opportunities for staff/governor collaboration/training and for pupil collaboration/learning
- To inject inspiration for staff connecting to the outside world

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Academy Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

As a Trust we have a duty to support other schools. We support many schools through outreach services for managing the needs of autism. The Trust has provided support to 2 maintained schools during the year.

STRATEGIC REPORT

**Achievements and Performance
Trust Ethos/Vision**

To establish a culture of trust, co-operation and collaboration across Trust schools

To ensure the whole Trust community understand the vision

Progress: The TLP created through the school leaders group a set of principles to establish positive working relationships, which were discussed in schools with the CEO. Staff in the schools have frequently commented on the benefits of the collaborative groups. This target is, of course difficult to measure and will need to be built on in the future. The TLP vision was established through a collaborative exercise through LGB's, school staff, Head Teachers and the Directors/Members of the TLP. There is a clear vision statement that drives the TLP improvement plan, which is known and understood throughout the partnership.

Trust/ School Effectiveness

Develop Trust wide KPI's to measure the performance and quality of the Trust's work across a range of areas

Progress: The TLP has established KPI's to measure key areas of performance of individual academies, as well as the whole Trust in areas such as finance. These are now being reported to Directors and Members. Target will be ongoing.

Pupil Learning

To establish a coherent and clear school improvement system which has impact on pupil and staff outcomes

To create a calendar of opportunities for pupil collaboration/learning

Progress: A School Improvement Handbook was created by schools for schools with the CEO leading this strand of development. A school improvement model suitable for the first year of operation was agreed with all partners Target complete. The emphasis has been on establishing relationships, getting to know schools in a holistic way and reviewing the school to identify key areas for improvement. There has been a series of meetings and activities in each school to support progress review as well as CPD/coaching to assist staff and school leaders. Target complete.

The calendar of pupil collaboration opportunities has not been developed due to the capacity of the TLP team numbering 2 for most of this year and the desire to focus on school improvement at a whole school level. This target will be discussed for 2019-20 as part of a review to establish a new school improvement model.

Leadership

To create a strong, clear, coherent governance at both board and local governing body levels in the first year of operation

Progress: A Governance Handbook for 2018-19 was established following consultation with each LGB and all Governance levels recruited for and developed through support for Chairs, Clerks and Governors through specific support groups and LGB training. Target complete for set up.

To develop a whole Trust SEF system to measure the performance of the Trust and each partner school within the first year of operation

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Progress: A common SEF was used by all schools in the TLP (July 2018 academies) and a new SEF will be established to reflect the new requirements of the 2019 Ofsted framework. Target complete.

To establish key communication systems across the Trust – email, shared document storage for staff, shared Governance system, public access to key documents, Trust web site, safeguarding system, data system, finance

Progress: A TLP website has now been published containing essential information. TLP staff now use a common email and document storage area but will need to be developed further. Schools can now use the Child Protection Online Management System to support safeguarding of pupils in each school. The TLP supported a procurement exercise to establish an IT partner, a new MIS system and a new finance system. All systems are in line with timelines of development. Target complete with further stages for development to take place.

Staff/Governor Development

To create a calendar of opportunities for staff/ governor collaboration/training and for pupil collaboration/learning

Progress: 6 Teacher groups have been established to support collaboration/CPD for teachers/ school leaders in assessment, Y2 teachers, Y6/Key stage 3 teachers, early years, Inclusion and the School Leaders Group. School improvement activities such as pupil moderation of work and visits to other schools have been led to enhance staff practice and subject knowledge. A TLP calendar of events including joint training has been established for teaching staff, support staff and governors often involving external trainers. Target complete but remains ever ongoing.

To inject inspiration for staff connecting to the outside world

Progress: A joint training sessions was held with Pie Corbett on the development of literacy in October 2018 from which staff feedback was very positive and the individual school action plan visits demonstrated impact in the classroom. The TLP also brought in 12 additional staff to support specialist areas of school improvement. Target complete but ever on going.

There were no OfSTED inspections in the Trust during the year. Prior OfSTED judgements of schools joining the Tarka Learning Partnership were:

School	OfSTED Grade	Date
Newport Community School Primary Academy	Outstanding	March 2015
Eden Park Academy	Good	June 2015
Landkey Community Primary academy	Good	March 2018
Sticklepath Community Primary Academy	Good	September 2017
The Park Community School	Requires Improvement	June 2017

The Trust was successful in securing capital grants through the Condition Improvement Fund totalling £351,000 to complete the following works

- £313,000 for replace roof at The Park Community School
- £38,000 for improved security fencing at Eden Park Academy

The Park Community School have also completed significant works in excess of £300,000 which will be funded through a Salix loan to improve energy efficiency through installation of PV and replacement of light fittings throughout the building. The loan will be repaid through the efficiency savings made over an 8-year period. Landkey Community School replaced boilers at a cost of £20,000.

The Devon Primary SCITT were awarded the top National Initial Teacher Training Provider of the Year at a ceremony in London in July '19, a fantastic achievement by the team.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Key Performance Indicators

Financial KPI's	Target / previous year	Actual	Trend
Free Reserve % total income	Policy 5% Forecast 8%	13%*	↑
Pupil to teacher ratio	17.12:1	17:1	↓
Current Asset Ratio	2%	2.29%	↑
Staff costs as % of total costs	70%	78%	First year as MAT
Staff costs as a % of total income	80%	79%	First year as MAT
Numbers on roll as % increase from previous year	No target set in 18-19	2.28%	

**it should be noted that the entry of Park in year results in a higher 'actual' figure, when adjusted for likely full year income the figure is approx. 11%.*

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Education KPI's

Actual outcome 2018-19 in circle

Target in black – 2018/19

(Past performance from 2017/18 is noted in brackets)

	Sticklepath	Landkey	Newport	Eden Park
NOR	444	202	503	168
Pupil Premium (national 28%)	27%	10%	15%	65%
Pupil Attendance (national 95.8%)	96%	96.5%	96.4%	94%
Persistent Absence (national 8.7%)	5.8%	3.9%	4%	15.2%
GLD – Good Level of Development (national 71%)	65% 68% (63%)	82% 90% (83%)	78% 90% (93%)	68% 60% (50%)
Y1 Phonics (national 81%)	85% 88% (88%)	86% 90% (93%)	95% 98% (93%)	60% 76% (83%)
KS1 Pupils @ EXS+ reading, writing, maths (national 64%)	65% 65% (61%)	64% 93% (70%)	78% 95% (84%)	70% 81% (65%)
KS1 Pupils @ GDS reading, writing, maths (no national)	10% 12% (12%)	11% 18% (13%)	18% 31% (28%)	10% 14% (0%)
KS2 Pupils @ EXS+ reading, writing, maths (national 64%)	67% 67% (65%)	85% 89% (69%)	73% 97% (83%)	60% 71% (70%)
The % gap between EXS+ for disadvantaged pupils and national non-disadvantaged (national -19% gap)	-31% -33% (-5%)	-10% +11% (-17%)	0% +24% (+3%)	+4% +13% (+2%) PP=64%
Reading, writing and maths at High Score/GDS (national 10%)	9% 13% (11%)	19% 55% (27%)	17% 50% (19%)	5% 24% (5%)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Eden Park Academy, Sticklepath Community Primary Academy, Newport Community Primary Academy and Landkey Community Primary Academy were all assessed through the school improvement model for 2018-19 as 'green' schools; likely to attain a 'good' outcome for overall effectiveness in a future Ofsted inspection and have the capacity to self-improve.

In the above KPI's attendance is above the national average in all primary schools except Eden Park Academy where comparative data is weaker than the national picture. The Academy is subject to termly support from TLP, the Local Authority and a new Education Welfare Officer to review current attendance systems and policy.

Sticklepath Community Primary Academy

Sticklepath Community Primary Academy has performed well against its published targets achieving close to all target areas across the age range. The Academy is contextually broadly average when compared to the national statistics and in most areas the school performs slightly above, at or just below national statistics. The KPI gap for pupil premium children is cohort specific as can be seen from prior performance, but TLP staff are monitoring the outcomes for this group of pupils and supporting the school. Trends over 3 years show a consistent and steady improvement over time. The Academy is ambitious and hopes to see school performance increase further.

Landkey Community Primary Academy

Landkey Community Primary Academy has performed well against its published targets with the exception of KS1 and pupil 'high score' in Y6 where pupil attainment was below target levels. Performance is well above national average outcomes in almost all areas of school attainment. Trends over time support improvement in the school's performance.

Newport Community School Primary Academy

The school set highly ambitious targets and in most areas did not achieve these outcomes with the exception of Y1 phonics where outcomes were very close to the high target set. Performance in EYFS, KS1 and 2 shows outcomes well above national, but below trends over time and predictions. The new Head Teacher has ambitious plans to raise pupil outcomes through a new School Improvement plan and programme of school support which looks at both developing school leaders and focal areas of improvement such as curriculum development and teaching.

Eden Park Academy

Eden Park Academy has met targets, performing well in areas such as EYFS or narrowly missed targets such as KS1 greater depth. The school often performs close to or above national statistics, for example in KS1. Areas such as KS2 expected standard and Y1 phonics will continue to receive support from TLP and school leaders.

The Park Community School did not join the Trust until February 2019 therefore targets were not set by the Trust for pupil outcomes in 2018-19. Pupils took public exams in May and June 2019 just 3 months after the school joined TLP.

The Park Community School data for 2018-19 is as follows:

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Park Community School outcomes for information purposes having joined TLP in February 2019	2018	2019
Progress 8	-0.49	-0.35
English Progress Score	-0.61	-0.4
Maths Progress Score	-0.24	-0.11
Science Value Added	-0.4	0.48
English 9-5	50%	59%
Mathematics 9-5	48%	57%
English & Maths 9-5	37%	48%
Two Sciences 9-5	33%	47%
Open Subjects P8	-0.62	-0.64
Disadvantaged Progress 8	-0.79	-0.69
Disadvantaged English Progress 8	-1.07	-0.9
Disadvantaged Maths Progress 8	-0.68	-0.2
Disadvantaged English & Maths 9-5	27%	29%
Disadvantaged Two Sciences 9-5	15%	24%
Disadvantaged Open Subjects P8	-0.94	-1.15
Disadvantaged English 9-5	27%	31%
Disadvantaged Maths 9-5	22%	39%
Progress 8 – boys	-0.76	-0.57
English Progress 8 - boys	-1.15	-0.81
Maths Progress 8 - boys	-0.25	-0.12
English & Maths 9-5 - boys	30%	40%
Two Sciences 9-5 - boys	31%	44%
Open Subjects P8 - boys	-1.06	-0.95
English 9-5 - boys	38%	47%
Maths 9-5 - boys	49%	55%
EBACC entry as % of cohort	14%	28%
EBACC pass 9-5	4%	15%

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

The Park Community School has clearly made progress in 2019 compared to outcomes in 2018 with the progress 8 score being a marked improvement on 2018. The school was reviewed by the TLP team and external advice in April 2019 and this process has with school leaders set an ambitious course ahead. A 'plan, do and review' process is in place to assess progress on a half termly basis against key areas for development. The Trust was successful in applying for a school improvement grant from the RSC to support schools previously in a 'requires improvement' category. School leaders have been instrumental in making improvements to the school and the Progress 8 score in 2019 reflects the impact of these changes.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Devon Primary SCITT

OfSTED Criteria	KPI (3Year Average)	DPCITT Performance (3 Year Average)	Rag Rating & Commentary
Outcomes for Trainees 1. Grade of Trainee 2. Employment 3. Retention	1. 50% Outstanding Trainees 2. 90% employed within 6 mths 3. 89%	1. 62% Outstanding (No Grade 3 RI) 2. 97% 3. 94%	+12% +7% +5% Well above average confirm Outstanding Grading
Quality of training	NA	Internal QA processes confirm : Centre Based Training 93% Outstanding School Based Training QA of Placements	SEF Review against Ofsted Criteria and DfE National Priorities confirm Outstanding Grade
Leadership & Management		Progress on Improvement Plans	Review of Improvement Plans and above data confirms Outstanding Grade DPSCITT National Provider of the Year at the NASBTT Awards for i. Quality of Provision ii. Innovation iii System-wide leadership
Risk Factors			
Budget	2018-19 £20k improvement within year budget, over £200K carry Forward. Budget set for 2019-20 on recruitment figures below is at break even with no impact on carry forward		
Recruitment	2018-19 41 Trainees 2019-20 31 Trainees It has been a very difficult and competitive recruitment year but the numbers now recruited ensure the programme remains viable and solvent.		
Staffing	Financial viability has been achieved through a reduction in staffing		The workload of staff will Need to be monitored closely to ensure their health and well-being to avoid long term sickness

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Devon Teaching School Partnership

Area	KPI (3 Year Average)	Performance Average (3 year)	Rag Rating & Commentary
ITT Provision	1. At least 15 Trainees Recruited 2. Employment above National Average (90%)	1. 41 Trainees Recruited 2. 97%	+26% +7% Well above National will confirm Outstanding Grading
CPD Provision	1. At least 50% CPD days provided 2. At least 90% felt it impacted on their practice and was worth the additional workload of attending	1. 68 days 2. 100%	+18 days +10%
School to School Support	1. At least 30 days provided 2. Provision considered good or better	1. 45 days 2. 100%	Quality of provision high – extended S2S process into next year
Risk Factors			
Budget	2018-19 £39k carry forward £40k core grant only guaranteed for one further Year. Consider value of TS Status, Potential Hub application with another Teaching School?		Structure not yet self-sustaining without government grant. Decision to be taken once funding options known from Government next year.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2019 (excluding fixed assets and pension funds) the Academy Trust received total income of £11,576,648 and incurred total expenditure of £10,486,688. The excess of income over expenditure for the year (excluding fixed asset and pension funds) after transfers to fixed asset funds of

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

£478,472 was £611,488 which included revenue brought in on conversion.

At 31 August 2019 the net book value of fixed assets was £29,606,347 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 29 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy (which incorporates Asset Control & Accounting, Investments, Anti Bribery, Fraud & Gifts & Hospitality) which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Whistle-blowing Policy, Balances and Reserves Policy & Governors Expenses Policy.

Due to external factors there is a prior year adjustment to the financial statements. This relates to three desk-top re-valuations of property by the ESFA which has the effect of reducing the net book value of fixed assets in 17-18 by £5,088m. In addition, an administrative error by the pension fund administrators resulted in a new FRS report to Aug '18 being required, this resulted in a positive adjustment of £1,386m. These figures are balance sheet transactions only and do not reflect actual depletion of resources to the Trust.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees determined that the appropriate level of reserves for 18-19 should be approximately 5% of total income (excluding capital grants and assuming The Park School has been in the Trust for the whole of the period). For the period ended 31st August 19 this would be £665,729. The reason for this is to provide sufficient working capital to cover delays between spending & receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The total free reserves of the Trust (General Fund & General Annual Grant) are £1,018,716. This is due largely to a significant balance brought in on conversion of The Park Community School. The Trust is reviewing its estates strategy and IT strategy with its schools and will use reserves to support this agenda if it feels that the additional funding promised to schools will adequately support the structures required to run them; in the event of the squeeze on revenue funding continuing, the schools will need to draw on these reserves to support their annual budgets.

In 18-19 the reserves of DPSCITT should not fall below £90,000 the reserve in relation to DPSCITT is £233,330. For 19-20 the reserve level is set at 5%. Due to staff changes within DPSCITT the level of minimum reserve has been revised and should not fall below £60,000.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

A risk register is maintained and reviewed and updated on a regular basis.

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 76% of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy Trust has appointed internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular, those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 29 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Academy does not outsource fundraising activities. Events are held in schools each year with the intention of raising funds but participation is voluntary.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

PLANS FOR FUTURE PERIODS

The Trust's Development Plan has the following key objectives for 19-20:

- To ensure all primary schools achieve at least their previous Ofsted grade by July 2020 taking into account the new Ofsted framework
- To ensure the Park Community School achieves a 'good' or better inspection outcome at its next inspection
- To support the development of provision for vulnerable pupils, especially SEND pupils and potentially excluded pupils and provide challenge and support to staff re. pupil premium pupils in order to raise achievement to school targets
- To train all relevant school staff/ Governors and Directors in the new 2019 Ofsted framework so that they review thinking/approach to school improvement plan and adjust to the new framework to support positive outcomes for their schools.
- To develop and implement, through the processes of whole Trust risk management, audit and compliance a strategy to develop estates ensuring compliance
- To agree and implement the long-term IT strategy to contribute to improving pupil outcomes, finding efficiencies and Trust collaboration including MIS in all schools
- To enhance learning opportunities and personal development of pupils by supporting the development of pupil provision
- To embed and develop financial management processes including operation systems, monitoring, procurement and budget reporting
- To successfully open Roundswell Community Primary Academy and support the academy conversion of up to two new schools

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

EMPLOYEES AND DISABLED PERSONS

Equal Opportunities and Disabled persons policies

In accordance with the Trust's Equal Opportunities Policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of staff who are disabled and is an equal opportunities employer. The Trust ensures that all potential candidates that meet the minimum selection criteria will be interviewed, if an employee becomes disabled whilst in our employment the Trust will do its best to retain them and through consultation with them to make reasonable and appropriate adjustments.

Staff are consulted on policy such as pay through their Local Governing Bodies. The CEO also attends staff meetings in each school during the course of the year to consult and hear feedback to the Trust.

TRUSTEES' INDEMNITIES

There were no third-party indemnity provisions during the year, or at the date of the approval of the Trustees' report.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

AUDITORS

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors on 27 November 2019 and signed on the board's behalf by:



P Stein
Chair of Trustees

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Tarka Learning Partnership 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 Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Tarka Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 11 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Cotton, CEO	11	11
J Byrne	11	11
C Tope	8	11
C Rice	10	11
P Stein, Chair	11	11
G Cockell, Vice Chair	10	11
N Hookway	8	11

The Directors have reviewed all areas of the Trusts performance through a range of quantitative and qualitative data including DFE performance comparators, CEO Reports, Financial Report and Benchmarking, reports from Internal & External Auditors, Safeguarding Audits and IT Audits.

The Trust went through a recruitment process to appoint a new Board of Directors which would be representative of the wider community of schools upon formation of the Trust in July 2018. The new directors for the Trust were recruited through an open public process. These voluntary roles were advertised in the local press as well as in the partnership schools with all existing Directors of the Trust being eligible to apply. Potential Directors applied through an application process, provided 2 referees and undertake a formal panel interview. The panel consisting of the CEO and Governor representatives from the partner schools. 6 Directors were recruited for 18-19 through this process covering a range of skills. 1 further Director has been appointed from 1st September 2019 and there is one recruitment process in progress with a view to appointment in October '19. The Board will then be full. The recruitment process highlighted the following competencies and skills required across the board:

- * HR;
- * Legal and compliance;
- * Finance and business management;
- * Premises/ Estates/ Health and Safety;
- * Inclusion;
- * Child Safeguarding;
- * Education Leadership;
- * School Improvement/ School Inspection;
- * Two directors with one of the above skills set will be Diocesan approved

In 19-20 the Trust will undertake a further review of its governance structures through use of an external consultant to ensure it is discharging its duties effectively and is prepared for the next stage of the Trust's development.

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to report to the Board of Directors on matters relating to finance strategy and audit, pay, appraisals, performance of the TLP central team and risk management. The committee is authorised to investigate any activity within its terms of reference; seek any information that it requires from any Director, Governor or Employee of the Trust and its Schools and obtain outside legal or independent professional advice.

During the year, Neil Hookway, Chris Rice and Paula Stein joined the committee. Andy Cotton also attends in his capacity as Accounting Officer for the Trust and Mo Cann attends in capacity as Chief Finance Officer for the Trust.

The Board receives data from a variety of sources. This data is reported upon within the CEO report on standards across the school and the CFO report Financial health of the Trust. Information provided includes

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

financial management reports, budget setting reports and dashboards with 5-year forecasts, attendance data from across the schools and performance data updates at key points during the year. Information is summarised within the CEO & CFO reports with more detailed information supplied in a separate format ahead of the meeting which allows time for appropriate level of challenge.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Neil Hookway	3	3
Chris Rice	3	3
Paula Stein	3	3
Andy Cotton	3	3
Mo Cann	3	3

Review of value for money

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

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

- Robust financial governance and budget management with regular meetings with Head's and Business Managers in the schools as part of its annual budgeting processes, including an Integrated Curriculum and Financial Planning meeting.
- Value for money purchasing, noting that this is not necessarily the cheapest quote. The Trust has gone through a DfE compliant tendering process for the provision of IT at Roundswell.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively through review of staffing structures to meet current and anticipated future need.
- Reviewing quality of curriculum provision and quality of teaching through robust monitoring processes.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress through school review visits, teacher groups and views from external consultants

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tarka Learning Partnership for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Devon Audit Partnership as internal auditor to the Trust.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks carried out in the current period with the outcome are shown in the table below.

Areas Covered	Level of Assurance
Governance, Accounting and Financial Control	High Standard
Anti-Fraud	High Standard
Purchasing and Payments	Good Standard
Income, Debtors and Debt Management	Good Standard
Salaries and Expenses	Good Standard
The Park	Good Standard
Sticklepath	Good Standard
Newport	Good Standard
Eden Park	High Standard
Landkey	High Standard
Devon SCITT	Good Standard

On an annual basis, the internal auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Internal Auditors delivered their schedule of works from the audit plan during the summer term 2019 and included academies that joined the Trust in February '19.

There were no material issues identified in the report.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

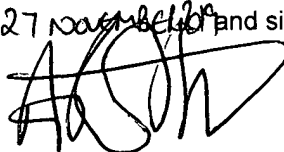
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee 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 Trustees on 27 November 2018 and signed on their behalf by:



P Stein
Chair of Trustees



A Cotton
Accounting Officer

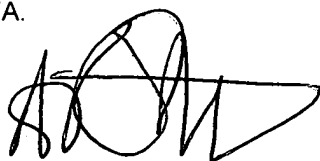
**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Tarka Learning Partnership I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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



A Cotton
Accounting Officer
Date: 27/11/2019

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees and signed on its behalf by:


P Stein
Chair of Trustees

Date: 27/10/2019

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TARKA LEARNING PARTNERSHIP

Opinion

We have audited the financial statements of Tarka Learning Partnership (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 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, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TARKA LEARNING PARTNERSHIP (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TARKA
LEARNING PARTNERSHIP (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the Academy Trust'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 Trust's members those matters we are required to state to them in an Auditors' 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Borton FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

16 December 2019

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TARKA
LEARNING PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated [enter date here] and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tarka Learning Partnership during the year 1 September 2018 to 31 August 2019 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 Tarka Learning Partnership and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Tarka Learning Partnership and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tarka Learning Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Tarka Learning Partnership's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Tarka Learning Partnership's funding agreement with the Secretary of State for Education dated [enter date here] and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

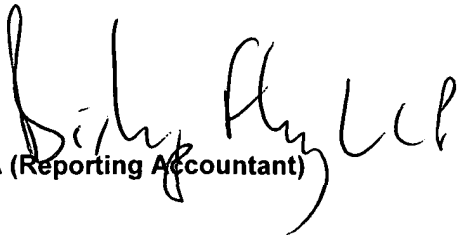
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TARKA
LEARNING PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Tim Borton FCA DChA (Reporting Accountant)

Bishop Fleming LLP
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

16 December 2019

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		725,357	(1,933,000)	18,747,268	17,539,625	4,341,130
Other donations and capital grants		42,883	107,531	383,823	534,237	19,399
Charitable activities	4	902,499	9,308,544	-	10,211,043	2,881,056
Devon Primary SCITT		379,816	-	-	379,816	477,647
Other trading activities		108,780	-	-	108,780	83,749
Investments	7	1,238	-	-	1,238	346
Total income		2,160,573	7,483,075	19,131,091	28,774,739	7,803,327
Expenditure on:						
Raising funds		54,696	-	-	54,696	5,539
Charitable activities		1,150,243	9,615,402	366,434	11,132,079	3,265,673
SCITT		338,567	-	-	338,567	408,051
Other expenditure		-	-	-	-	-
Total expenditure		1,543,506	9,615,402	366,434	11,525,342	3,679,263
Net income/ (expenditure)		617,067	(2,132,327)	18,764,657	17,249,397	4,124,064
Transfers between funds	22	5,500	(169,760)	164,260	-	-
Net movement in funds before other recognised gains/(losses)		622,567	(2,302,087)	18,928,917	17,249,397	4,124,064
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	30	-	(800,000)	-	(800,000)	592,000
Net movement in funds		622,567	(3,102,087)	18,928,917	16,449,397	4,716,064

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Reconciliation of funds:					
Total funds brought forward	690,499	(2,174,109)	10,306,471	8,822,861	4,106,797
Net movement in funds	622,567	(3,102,087)	18,928,917	16,449,397	4,716,064
Total funds carried forward	1,313,066	(5,276,196)	29,235,388	25,272,258	8,822,861

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

The notes on pages 38 to 73 form part of these financial statements.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07700494


BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	16	29,606,347	10,430,789
		<u>29,606,347</u>	<u>10,430,789</u>
Current assets			
Stocks	17	38,257	-
Debtors	18	792,612	369,913
Cash at bank and in hand		1,677,768	801,641
		<u>2,508,637</u>	<u>1,171,554</u>
Creditors: amounts falling due within one year	19	(1,156,726)	(489,482)
Net current assets		<u>1,351,911</u>	<u>682,072</u>
Total assets less current liabilities		<u>30,958,258</u>	<u>11,112,861</u>
Net assets excluding pension liability		<u>30,958,258</u>	<u>11,112,861</u>
Defined benefit pension scheme liability	30	(5,686,000)	(2,290,000)
Total net assets		<u><u>25,272,258</u></u>	<u><u>8,822,861</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	22	29,235,388	10,306,471
Restricted income funds	22	409,804	115,891
		<u>29,645,192</u>	<u>10,422,362</u>
Restricted funds excluding pension asset	22	29,645,192	10,422,362
Pension reserve	22	(5,686,000)	(2,290,000)
Total restricted funds	22	<u>23,959,192</u>	<u>8,132,362</u>
Unrestricted income funds	22	<u>1,313,066</u>	<u>690,499</u>
Total funds		<u><u>25,272,258</u></u>	<u><u>8,822,861</u></u>

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07700494

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 33 to 73 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:


P Stein
Chair of Trustees 27/11/2019

The notes on pages 38 to 73 form part of these financial statements.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Cash flows from operating activities			
Net cash provided by operating activities	24	1,566,302	372,769
Cash flows from investing activities	26	(695,175)	(11,854)
Cash flows from financing activities	25	5,000	-
Change in cash and cash equivalents in the year		876,127	360,915
Cash and cash equivalents at the beginning of the year		801,641	527,061
Cash and cash equivalents at the end of the year	27	1,677,768	887,976

The notes on pages 38 to 73 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Tarka Learning Partnership meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

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

1.3 INCOME

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Donations**

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

- **Other income**

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.3 INCOME (continued)

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTANGIBLE ASSETS

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.6 TANGIBLE FIXED ASSETS

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

On conversion of each School, the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by that local authority school. At the date of each conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property - buildings 2% & land 0.8%
Fixtures, fittings and equipment - 10 - 33%

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

1.7 STOCKS

Stocks consist of general stock and are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.10 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 FINANCIAL INSTRUMENTS

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 TAXATION

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.13 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.14 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.15 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.16 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. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from The Park Community School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Land and Buildings have been included at an estimated value based on the ESFA valuations of schools that joined the Trust in the prior year taking into account differences in sqm area. Other fixed assets have been included at amounts valued by the Trustees. Pension assets and liabilities have been valued by Barnett Waddingham.

Further details of the transaction are set out in note 28.

1.17 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing income on behalf of the Devon Teaching School Partnership and The Park Cluster. Payments received and subsequent disbursements to the partnership are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. Reimbursement of administration costs in relation to the income is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 34.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations				
Transfer from local authority on conversion	725,357	16,814,268	17,539,625	4,341,130
Donations	42,883	-	42,883	9,973
Capital Grants	-	491,354	491,354	9,426
Total 2019	768,240	17,305,622	18,073,862	4,360,529
Total 2018	224,044	4,136,485	4,360,529	

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

4. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from charitable activities - Education	580,195	9,308,544	9,888,739	2,672,969
Income from charitable activities - Nursery	322,304	-	322,304	208,087
Total 2019	<u>902,499</u>	<u>9,308,544</u>	<u>10,211,043</u>	<u>2,881,056</u>
Total 2018	<u>431,245</u>	<u>2,449,811</u>	<u>2,881,056</u>	

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

5. Funding for the Academy Trust's education

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant	-	8,017,575	8,017,575	2,056,273
Start up Grants	-	62,000	62,000	138,000
Other DfE/ESFA grants	-	951,705	951,705	239,639
	-	9,031,280	9,031,280	2,433,912
Other Government grants				
High Needs	-	159,545	159,545	15,899
Other government grants: non capital	-	117,719	117,719	79,531
	-	277,264	277,264	95,430
Other income from the academy trust's educational operations				
Internal catering income	197,321	-	197,321	47,377
Sales to students	34,045	-	34,045	-
Other	348,829	-	348,829	96,250
	580,195	-	580,195	143,627
Total 2019	580,195	9,308,544	9,888,739	2,672,969
Total 2018	223,158	2,449,811	2,672,969	

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

6. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	45,930	45,930	7,395
External catering	7,979	7,979	1,848
Consultancy	7,028	7,028	-
Fees received	47,843	47,843	46,700
Other	-	-	27,806
Total 2019	108,780	108,780	83,749

7. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	1,238	1,238	346

All prior year amounts relate to unrestricted funds.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	54,696	54,696	5,539
Education:					
Direct costs	6,748,645	284,867	1,204,114	8,237,626	2,324,596
Allocated support costs	1,366,481	555,600	673,991	2,596,072	778,519
Nursery:					
Direct costs	277,654	5,337	8,325	291,316	158,558
Allocated support costs	5,630	-	1,435	7,065	4,000
SCITT	173,807	-	164,760	338,567	408,051
	<u>8,572,217</u>	<u>845,804</u>	<u>2,107,321</u>	<u>11,525,342</u>	<u>3,679,263</u>
Total 2018	<u>2,726,729</u>	<u>222,829</u>	<u>729,705</u>	<u>3,679,263</u>	

9. Analysis of expenditure on charitable activities by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	8,237,626	2,596,072	10,833,698	3,103,115
Nursery	291,316	7,065	298,381	162,558
Total 2019	<u>8,528,942</u>	<u>2,603,137</u>	<u>11,132,079</u>	<u>3,265,673</u>
Total 2018	<u>2,483,154</u>	<u>782,519</u>	<u>3,265,673</u>	

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. Analysis of expenditure on charitable activities by activities (continued)

Analysis of direct costs

	Education	Nursery	Total	As restated
	2019	2019	funds	Total
	£	£	2019	funds
			£	2018
				£
Pension income	85,000	-	85,000	36,000
Staff costs	7,233,740	277,654	7,511,394	2,157,704
Depreciation	284,867	-	284,867	127,415
Educational supplies	199,380	13,445	212,825	68,693
Examination fees	80,335	-	80,335	-
Staff development	41,470	-	41,470	2,809
Other costs	198,244	217	198,461	81,603
Supply teachers	19,905	-	19,905	8,930
Educational consultancy	94,685	-	94,685	-
Total 2019	8,237,626	291,316	8,528,942	2,483,154
Total 2018 as restated	2,324,596	158,558	2,483,154	

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. Analysis of expenditure on charitable activities by activities (continued)

Analysis of support costs

	Education	Nursery	Total	As restated
	2019	2019	funds	Total
	£	£	2019	funds
			£	2018
				£
Staff costs	1,439,481	5,630	1,445,111	377,535
Depreciation	90,787	-	90,787	40,547
Staff development	-	-	-	18,344
Other costs	-	1,435	1,435	4,967
Recruitment and support	18,474	-	18,474	11,742
Maintenance of premises and equipment	146,092	-	146,092	44,935
Cleaning	47,312	-	47,312	11,758
Rent and rates	105,270	-	105,270	38,400
Energy costs	103,483	-	103,483	20,952
Insurance	58,150	-	58,150	19,000
Security and transport	62,656	-	62,656	9,018
Catering	174,870	-	174,870	46,113
Technology costs	165,496	-	165,496	37,645
Office overheads	59,886	-	59,886	27,963
Legal and professional	77,255	-	77,255	33,089
Bank interest and charges	6,669	-	6,669	1,876
Governance	40,191	-	40,191	38,635
Total 2019	2,596,072	7,065	2,603,137	782,519
Total 2018 as restated	778,519	4,000	782,519	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019	2018
	£	£
Operating lease rentals	23,039	4,887
Depreciation of tangible fixed assets	375,654	167,961
Fees paid to auditors for:		
- audit	9,500	8,500
- other services	6,935	3,160

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	As restated
	£	2018
		£
Wages and salaries	6,831,131	2,002,898
Social security costs	602,818	169,493
Pension costs	1,696,363	545,408
	9,130,312	2,717,799
Agency staff costs	19,905	8,930
	9,150,217	2,726,729

b. Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2019	2018
	No.	No.
Teachers	156	30
Administration and support	205	77
Management	14	7
	375	114

The average headcount expressed as full-time equivalents was:

	2019	2018
	No.	No.
Teachers	113	24
Administration and support	128	35
Management	13	7
	254	66

c. Higher paid staff

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. Staff costs (continued)

c. Higher paid staff (continued)

	2019 No.	2018 No.
In the band £60,001 - £70,000	7	3
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Trust Central Leadership Team as noted on page 1. The total amount of employee benefits (including employers national insurance and pension contributions) was £190,898 (£464,957 in 2018). The difference reflects the change in organisational structure on formation of the Multi Academy Trust where previously the whole of the Single Academy Trust leadership team was reported upon.

12. Trustees' remuneration and expenses

The CEO only receives remuneration in respect of services they provide undertaking their role under a contract of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: A Cotton: Remuneration £95,000 - £100,000 (2018: £95,000 - £100,000), Employer's pension contributions £15,000 - £20,000 (2018: £15,000 - £20,000).

Other related party transactions involving the Trustees are set out in note 33.

During the year ended 31 August 2019, expenses totalling £1,497 were reimbursed to 1 Trustee (2018 - £2,025 to 3 Trustees).

13. Trustees' and Officers' insurance

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

14. Central services

The Academy Trust has provided the following central services to its academies during the year:

- HR support
- Estates support
- School improvement service
- Safeguarding/Inclusion support
- Finance support including Accounting Officer Policy & Software
- Governance support
- Compliance/GDPR
- Legal support

The Academy Trust charges for these services on the following basis:

A flat percentage of GAG income, 4.2% (2018: Nil) is charged, with the exception of Devon Primary SCITT which is charged a fee in relation to hosting costs. An additional £30,000 support fee was paid by The Park Community School for services provided prior to conversion to an academy trust.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
The Park Community School	175,831	-
Landkey Community Primary Academy	30,799	-
Eden Park Academy	29,562	-
Newport Community School Primary Academy	62,487	-
Sticklepath Primary	60,699	-
Devon Primary SCITT	10,530	-
Total	369,908	-

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

15. Intangible assets

	Computer software £
Cost	
At 1 September 2018	14,860
At 31 August 2019	14,860
Amortisation	
At 1 September 2018	14,860
At 31 August 2019	14,860
Net book value	
At 31 August 2019	-
At 31 August 2018	-

16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018 (as previously stated)	16,045,808	201,720	113,999	16,361,527
Prior Year Adjustment	(5,088,115)	-	-	(5,088,115)
At 1 September 2018 (as restated)	10,957,693	201,720	113,999	11,273,412
Additions	751,485	31,982	20,477	803,944
Transfers on conversion	18,747,268	-	-	18,747,268
Disposals	-	-	(5,369)	(5,369)
At 31 August 2019	30,456,446	233,702	129,107	30,819,255

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. Tangible fixed assets (continued)

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Depreciation				
At 1 September 2018	616,164	134,146	92,313	842,623
Charge for the year	330,486	33,521	11,647	375,654
On disposals	-	-	(5,369)	(5,369)
At 31 August 2019	<u>946,650</u>	<u>167,667</u>	<u>98,591</u>	<u>1,212,908</u>
Net book value				
At 31 August 2019	<u>29,509,796</u>	<u>66,035</u>	<u>30,516</u>	<u>29,606,347</u>
At 31 August 2018 (as restated)	<u>10,341,529</u>	<u>67,574</u>	<u>21,686</u>	<u>10,430,789</u>

17. Stocks

	2019 £	2018 £
Finished goods and goods for resale	<u>38,257</u>	<u>-</u>

18. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	17,689	1,255
VAT recoverable	272,407	11,346
Other debtors	-	470
Prepayments and accrued income	502,516	356,842
	<u>792,612</u>	<u>369,913</u>

19. Creditors: Amounts falling due within one year

	2019 £	2018 £
ESFA loans	5,500	-
Trade creditors	131,316	101,196
Other taxation and social security	194,292	75,766

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

19. Creditors: Amounts falling due within one year (continued)

	2019 £	2018 £
Other creditors	230,334	117,146
Accruals and deferred income	595,284	195,374
	<u>1,156,726</u>	<u>489,482</u>
	2019 £	2018 £
Deferred income at 1 September 2018	150,045	55,147
Resources deferred during the year	345,210	150,045
Amounts released from previous periods	(150,045)	(55,147)
Deferred income at 31 August 2019	<u>345,210</u>	<u>150,045</u>

At the balance sheet date the Academy was holding funds received in advance including income from trips due to take place in 2019/20, income from the ESFA in respect of 2019/20 UIFSM and income in respect of ITT trainees.

Included within ESFA loans is a Salix loan of £5,500 repayable in bi-annual instalments over 8 years, with repayments commencing on 1st April 2020. No interest is payable on this loan.

20. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure	1,677,768	801,641
Financial assets that are debt instruments measured at amortised cost	359,640	269,919
	<u>2,037,408</u>	<u>1,071,560</u>
	2019 £	2018 £
Financial liabilities		
Financial liabilities measured at amortised cost	(617,224)	(413,716)

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, accrued income & other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, accruals & other creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. Prior year adjustments

During the year to 31 August 2019, the Trust was in receipt of ESFA valuation reports for the schools transferred to the Trust during the year to 31 August 2018. These reports were not commissioned by the ESFA in time for them to be available to the Trust until after the 2018 financial statements had been finalised and submitted. The reports show that the total value of land transferred to the Trust was £870k higher than the £1.78m recognised in the 2018 financial statements. Conversely, the buildings valuations are £5.958m lower than the £8.928m recognised in the 2018 financial statements, the latter figure having been estimated based on insurance values assessed by the local authority.

During the year to 31 August 2019, the Trust commissioned an actuarial report in respect of the Park School which converted and joined the Trust during that year. Whilst the scheme actuaries were writing that report, they identified errors in the valuation that they had provided previously (at 31 August 2018). The Park School was included in the 2018 valuation, even though it did not join the Trust until 1 February 2019. Conversely, a school that did join during 2018 was omitted. As a result of this, the net scheme liabilities attributable to the Trust were overstated by £1.148m at 31 August 2018.

Given the significance of the matters referred to above, the comparative figures shown in these financial statements and the opening reserves positions have been restated accordingly.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Designated funds						
Fixed asset fund - Newport	124,318	-	(7,649)	-	-	116,669
Fixed asset fund - Park	-	-	(1,571)	314,212	-	312,641
Devon Primary SCITT	192,081	379,816	(338,567)	-	-	233,330
	<u>316,399</u>	<u>379,816</u>	<u>(347,787)</u>	<u>314,212</u>	<u>-</u>	<u>662,640</u>
General funds						
General funds	<u>374,100</u>	<u>1,780,757</u>	<u>(1,195,719)</u>	<u>(308,712)</u>	<u>-</u>	<u>650,426</u>
Total Unrestricted funds	<u>690,499</u>	<u>2,160,573</u>	<u>(1,543,506)</u>	<u>5,500</u>	<u>-</u>	<u>1,313,066</u>
Restricted general funds						
General Annual Grant (GAG)	65,648	8,017,575	(7,605,412)	(109,521)	-	368,290
High needs funding	-	159,545	(159,545)	-	-	-
Pupil premium	-	593,232	(593,232)	-	-	-
Start up and conversion grants	50,184	62,000	(112,184)	-	-	-
Donations	59	-	(59)	-	-	-
UIFSM	-	158,548	(158,548)	-	-	-
PE and sports grant	-	74,190	(72,972)	-	-	1,218
Other restricted funds	-	243,454	(243,454)	-	-	-
Devolved Formula Capital	-	107,531	(6,996)	(60,239)	-	40,296
Pension reserve	(2,290,000)	(1,933,000)	(663,000)	-	(800,000)	(5,686,000)
	<u>(2,174,109)</u>	<u>7,483,075</u>	<u>(9,615,402)</u>	<u>(169,760)</u>	<u>(800,000)</u>	<u>(5,276,196)</u>

**TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

22. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Fixed assets transferred on conversion	9,083,705	18,747,268	(316,286)	-	-	27,514,687
Fixed assets purchased from GAG and other re	250,161	-	(36,397)	109,521	-	323,285
DfE/ESFA Capital Grants	924,952	351,757	(6,210)	60,239	-	1,330,738
Other donations	47,653	-	(7,156)	-	-	40,497
Other capital grants	-	32,066	(385)	-	-	31,681
Salix loan	-	-	-	(5,500)	-	(5,500)
	<u>10,306,471</u>	<u>19,131,091</u>	<u>(366,434)</u>	<u>164,260</u>	<u>-</u>	<u>29,235,388</u>
Total Restricted funds	<u>8,132,362</u>	<u>26,614,166</u>	<u>(9,981,836)</u>	<u>(5,500)</u>	<u>(800,000)</u>	<u>23,959,192</u>
Total funds	<u>8,822,861</u>	<u>28,774,739</u>	<u>(11,525,342)</u>	<u>-</u>	<u>(800,000)</u>	<u>25,272,258</u>

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

Designated fixed asset funds - Funds relating to fixed assets purchased from unrestricted reserves.

Devon Primary SCITT - Income and expenditure relating to Devon Primary SCITT. Activity is disclosed in detail in the SCITT Trading Account.

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Start Up and Conversion Grant – This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Academy.

Donations - Donation income received for a specific purpose.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

22. Statement of funds (continued)

UIFSM - Income relating to Universal Infant Free School Meals to fund catering costs for qualifying pupils.

PE and sports grants - Relates to funding for PE and sports.

Other restricted funds - Represents other grant funding which has been provided for a specific purpose.

Devolved formula capital - This represents funding from the ESFA to cover the maintenance and purchase of assets used by the Academy.

Pension reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG - This represents fixed assets which were funded from general GAG funding. Resources expended represents depreciation charged for these assets.

DfE/ESFA Capital Grants including DFC - This represents the net book value of assets purchased using devolved and other capital grants. The expenditure in the year is the depreciation on those assets.

Other capital grants and donations – These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	2018
	£	£
Newport Community School Primary Academy - Core funds	340,600	211,113
Newport Community School Primary Academy - Re Devon Primary SCITT	233,329	192,081
Newport Community School Primary Academy - Unrestricted Fixed Asset Funds	116,669	124,317
Sticklepath Community Primary Academy	181,520	126,393
Eden Park Academy	43,146	56,351
Landkey Primary School	111,986	90,169
Central	98,624	5,966
The Park Community School - Core funds	284,355	-
The Park Community School - Unrestricted Fixed Asset Funds	312,641	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,722,870	806,390
Restricted fixed asset fund	29,235,388	10,306,471
Pension reserve	(5,686,000)	(2,290,000)
	<hr/>	<hr/>
Total	25,272,258	8,822,861
	<hr/> <hr/>	<hr/> <hr/>

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds (continued)

Total cost analysis by academy

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 depreciation £	Total 2019 £	Total 2018 £
Newport Community School Primary Academy	1,469,482	238,929	30,146	740,484	2,479,041	2,769,494
Sticklepath Community Primary Academy	1,357,864	248,289	50,667	291,182	1,948,002	293,815
Eden Park Academy	667,349	144,603	33,529	185,652	1,031,133	161,875
Landkey Primary School	662,596	58,477	25,846	157,863	904,782	137,227
Central	134,598	135,339	486	122,780	393,203	148,890
The Park Community School	3,119,756	547,888	58,706	667,177	4,393,527	-
Academy Trust	7,411,645	1,373,525	199,380	2,165,138	11,149,688	3,511,301

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2017 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Designated funds						
Fixed asset fund - Newport	132,268	-	(7,950)	-	-	124,318
Fixed asset fund - Park	122,485	477,647	(408,051)	-	-	192,081
	<u>254,753</u>	<u>477,647</u>	<u>(416,001)</u>	<u>-</u>	<u>-</u>	<u>316,399</u>
General funds						
General funds	<u>90,185</u>	<u>739,384</u>	<u>(455,469)</u>	<u>-</u>	<u>-</u>	<u>374,100</u>
Total Unrestricted funds	<u>344,938</u>	<u>1,217,031</u>	<u>(871,470)</u>	<u>-</u>	<u>-</u>	<u>690,499</u>
Restricted general funds						
General Annual Grant (GAG)	70,510	2,056,273	(2,048,935)	(12,200)	-	65,648
High needs funding	-	15,899	(15,899)	-	-	-
Pupil premium	-	136,432	(136,432)	-	-	-
Start up and conversion grants	8,067	138,000	(95,883)	-	-	50,184
Other government grants	-	103,207	(103,207)	-	-	-
Devolved formula capital	-	9,426	(1,426)	(8,000)	-	-
Donations	-	59	-	-	-	59
Pension reserve	(1,143,000)	(1,493,000)	(246,000)	-	592,000	(2,290,000)
	<u>(1,064,423)</u>	<u>966,296</u>	<u>(2,647,782)</u>	<u>(20,200)</u>	<u>592,000</u>	<u>(2,174,109)</u>

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Statement of funds (continued)

	Balance at 1 September 2017 £	As restated Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Restricted fixed asset funds						
Fixed assets transferred on conversion	3,564,703	5,620,000	(100,998)	-	-	9,083,705
Fixed assets purchased from GAG and other re	266,746	-	(28,785)	12,200	-	250,161
DfE/ESFA Capital Grants	939,711	-	(22,759)	8,000	-	924,952
Other donations	55,122	-	(7,469)	-	-	47,653
	<u>4,826,282</u>	<u>5,620,000</u>	<u>(160,011)</u>	<u>20,200</u>	<u>-</u>	<u>10,306,471</u>
Total Restricted funds	<u>3,761,859</u>	<u>6,586,296</u>	<u>(2,807,793)</u>	<u>-</u>	<u>592,000</u>	<u>8,132,362</u>
Total funds	<u>4,106,797</u>	<u>7,803,327</u>	<u>(3,679,263)</u>	<u>-</u>	<u>592,000</u>	<u>8,822,861</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	429,310	-	29,177,037	29,606,347
Current assets	883,756	1,561,030	63,851	2,508,637
Creditors due within one year	-	(1,151,226)	(5,500)	(1,156,726)
Provisions for liabilities and charges	-	(5,686,000)	-	(5,686,000)
Total	<u>1,313,066</u>	<u>(5,276,196)</u>	<u>29,235,388</u>	<u>25,272,258</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	124,318	-	10,306,471	10,430,789
Current assets	566,181	605,373	-	1,171,554
Creditors due within one year	-	(489,482)	-	(489,482)
Provisions for liabilities and charges	-	(2,290,000)	-	(2,290,000)
Total	690,499	(2,174,109)	10,306,471	8,822,861

24. Reconciliation of net income to net cash flow from operating activities

	2019 £	As restated 2018 £
Net income for the year (as per Statement of Financial Activities)	17,249,397	4,124,064
Adjustments for:		
Depreciation	375,654	167,961
Capital grants from DfE and other capital income	(107,531)	(8,000)
Interest receivable	(1,238)	(346)
Defined benefit pension scheme obligation inherited	1,933,000	1,493,000
Defined benefit pension scheme cost less contributions payable	578,000	210,000
Defined benefit pension scheme finance cost	85,000	36,000
(Increase)/decrease in stocks	(38,257)	-
Increase in debtors	(422,699)	(305,014)
Increase in creditors	662,244	275,104
Tangible fixed assets transferred from local authority on conversion	(18,747,268)	(5,620,000)
Net cash provided by operating activities	1,566,302	372,769

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. Cash flows from financing activities

	2019 £	2018 £
Cash inflows from new borrowing	5,000	-
Net cash provided by financing activities	5,000	-

26. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	1,238	346
Purchase of tangible fixed assets	(803,944)	(20,200)
Capital grants from DfE Group	107,531	8,000
Net cash used in investing activities	(695,175)	(11,854)

27. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	677,768	887,976
Notice deposits (less than 3 months)	1,000,000	-
Total cash and cash equivalents	1,677,768	887,976

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

28. Conversion to an academy trust

On 1 February 2019 The Park Community School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tarka Learning Partnership from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	18,747,268	18,747,268
Current assets				
Cash - representing budget surplus on LA funds	629,539	-	-	629,539
Stock	23,456	-	-	23,456
LGPS pension surplus/(deficit)	-	(1,933,000)	-	(1,933,000)
Net assets/(liabilities)	652,995	(1,933,000)	18,747,268	17,467,263

The transfer from local authority on conversion recognised on the Statement of Financial Activities includes £72,362 that was received in cash relating to transfers in the prior year.

29. Capital commitments

	2019 £	2018 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	68,397	-

30. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 Devon County Council. Both are multi-employer defined benefit schemes.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

30. Pension commitments (continued)

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £724,857 (2018 - £209,408).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

30. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £555,000 (2018 - £175,000), of which employer's contributions totalled £418,000 (2018 - £126,000) and employees' contributions totalled £ 132,000 (2018 - £49,000). The agreed contribution rates for future years are 15.4% per cent for employers and 5.5%-12.5% per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.65	3.80
Rate of increase for pensions in payment/inflation	2.15	2.30
Discount rate for scheme liabilities	1.90	2.65
Inflation assumption (CPI)	2.15	2.30

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.5	23.5
Females	24.4	25.6
<i>Retiring in 20 years</i>		
Males	24.2	25.8
Females	26.2	28.0

Sensitivity analysis

	2019	As restated
	£000	2018
		£000
Discount rate +0.1%	(269)	(128)
Discount rate -0.1%	277	121
Mortality assumption - 1 year increase	353	139
Mortality assumption - 1 year decrease	(341)	(135)
CPI rate +0.1%	237	104
CPI rate -0.1%	(230)	(101)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

30. Pension commitments (continued)

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

	At 31 August 2019 £	As restated At 31 August 2018 £
Equities	2,493,000	1,241,000
Gilts	146,000	64,000
Other bonds	79,000	40,000
Property	364,000	186,000
Cash and other liquid assets	56,000	32,000
Target return portfolio	584,000	293,000
Infrastructure and alternative assets	377,000	179,000
Private equity	76,000	21,000
Total market value of assets	4,175,000	2,056,000

The actual return on scheme assets was £201,000 (2018 - £55,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £	As restated 2018 £
Current service cost	(845,000)	(336,000)
Past service cost	(151,000)	-
Interest income	82,000	27,000
Interest cost	(167,000)	(63,000)
Net liability arising from converting schools joining the Academy Trust	(1,933,000)	(1,493,000)
Total amount recognised in the Statement of Financial Activities	(3,014,000)	(1,865,000)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

30. Pension commitments (continued)

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

	2019 £	As restated 2018 £
At 1 September	4,346,000	1,975,000
Conversion of academy trusts	3,285,000	2,496,000
Current service cost	845,000	336,000
Interest cost	167,000	63,000
Employee contributions	132,000	49,000
Actuarial losses/(gains)	918,000	(565,000)
Benefits paid net of transfers in	17,000	(8,000)
Past service costs including curtailments	151,000	-
At 31 August	9,861,000	4,346,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2019 £	As restated 2018 £
At 1 September	2,056,000	832,000
Transferred in on existing academies joining the trust	1,352,000	1,003,000
Expected return on assets	83,000	28,000
Actuarial gains	118,000	27,000
Employer contributions	418,000	126,000
Employee contributions	132,000	49,000
Benefits paid net of transfers in	17,000	(8,000)
Admin expenses	(1,000)	(1,000)
At 31 August	4,175,000	2,056,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

31. Operating lease commitments

At 31 August 2019 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	24,275	19,552
Later than 1 year and not later than 5 years	27,510	28,932
	<u>51,785</u>	<u>48,484</u>

32. Members' liability

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

33. General information

Tarka Learning Partnership is a company limited by guarantee, incorporated in England and Wales under number 07700494. The registered office is Newport Community School Primary Academy, Landkey Road, Newport, Barnstaple, Devon, EX32 9BW.

34. Related party transactions

Owing to the nature of the Academy Trust'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 Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the year:

K Hayles - spouse of Trustee A Cotton. K Hayles is employed by Eden Park Academy, a school within the Academy Trust. Remuneration in the range of £45,000 to £50,000 and employer's pension contributions in the range of £5,000 to £10,000 were paid through the payroll while the school was part of the Academy Trust. There were no amounts outstanding at the year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

35. Agency arrangements

The Academy Trust distributes income received on behalf of the Devon Teaching School Partnership in accordance with the Devon Teaching School Partnership instructions. In the year ended 31 August 2019 the Academy Trust received £96,925 (2018: £71,885) and distributed £81,267 (2018: £90,680) on behalf of the partnership. At 31 August 2019 an amount of £50,298 (2018: £34,641) was included in other creditors relating to undistributed funds that is payable to the Devon Teaching School Partnership.

The Academy Trust distributes music grant received on behalf of The Park Cluster in accordance with the Devon Teaching School Partnership instructions. In the year ended 31 August 2019 the Academy Trust received £2,880 (2018: £3,724) and distributed £490 (2018: £4,467) on behalf of the partnership. At 31 August 2019 an amount of £6,002 (2018: £3,612) was included in other creditors relating to undistributed funds that is payable to The Park Cluster.

36. SCITT trading account

	2019 £	2019 £	2018 £	2018 £
Income				
Direct income				
Tuition fees	360,050		424,048	
Other income				
Other	19,766		53,599	
Total income		379,816		477,647
Expenditure				
Direct expenditure				
Direct staff costs	172,493		179,100	
Course expenses	127,559		179,349	
Other direct costs	14,458		13,936	
Total direct expenditure	314,510		372,385	
Other expenditure				
Other staff costs	1,314		3,460	
Other support costs	22,743		32,206	
Total other expenditure	24,057		35,666	
Total expenditure		338,567		408,051
Surplus from all sources		41,249		69,596
SCITT balances at 1 September 2018		192,081		122,485
SCITT balances at 31 August 2019		233,330		192,081