

Company Registration Number: 07700909 (England & Wales)

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1
Trustees' Report	2 - 8
Governance Statement	9 - 11
Statement on Regularity, Propriety and Compliance	12
Statement of Trustees' Responsibilities	13
Independent Auditors' Report on the Financial Statements	14 - 17
Independent Reporting Accountant's Report on Regularity	18 - 19
Statement of Financial Activities Incorporating Income and Expenditure Account	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 - 48

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Members: David Allen (appointed 1 Feb 2017, resigned 13th September 2021)
Daniel Hagan (appointed 12 July 2017)
Jessica March (appointed 5 February 2020)
Tracy Summerhill (appointed 8 Jan 2020)

Trustees: David Allen (appointed 5 December 2018, resigned 1 September 2020)
Adeela Fethi (originally appointed 2 December 2015, reappointed 25 September 2019)
Iain Harkes (appointed 25 September 2019)
Karen Heath (originally appointed 11 July 2011, most recently reappointed 9 July 2018)
Neil Houchen (originally appointed 8 September 2011, most recently reappointed 1 February 2017)
Mark Wilson (appointed 27 March 2019)

Company Secretary: Mrs K Toms

CEO: Mr N Houchen

Senior Management Team: Mr N Houchen, CEO & Principal of The Eastwood Academy
Mr W Brogan, Principal of Bournemouth Park Academy
Mrs S Freeman, Finance Officer

Company Name: Eastwood Park Academy Trust

Registered Office: The Eastwood Academy
Rayleigh Road
Leigh on Sea
Essex
SS9 5UU

Company Registration Number: 07700909

Independent Auditor: Landau Baker Limited
Mountcliff House
54 Brent Street
London
NW4 2DR

Bankers: Lloyds Bank
77 High Street
Southend on Sea
Essex SS1 1HT

Solicitors: Stone King LLP
13 Queen Street
Bath
BA1 2HJ

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates one primary and one secondary academy in the Southend-on-Sea catchment area. Its academies had a roll of 1,644 in the Summer Term school census on May 2020.

Structure, Governance and Management

Constitution

The trust is a company limited by guarantee and an exempt charity. It was incorporated on 11 July 2011 and in terms of a Funding Agreement entered into with the Secretary of State for Education, became a trust on 17 August 2011. The trust's memorandum and articles of association are the primary governing documents of the trust. The trustees are also the directors of the charitable company for the purposes of company law. The charitable company was formerly known as The Eastwood Academy Trust and changed its name in November 2016 to Eastwood Park Academy Trust.

The principal activity of the trust is to advance, for the public benefit, education in Southend-on-Sea, Essex, and the surrounding area by maintaining and operating The Eastwood Academy in Leigh-on-Sea and Bournemouth Park Academy in Southend-on-Sea.

Details of trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on Page 1

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

Method of Recruitment and Appointment or Election of Trustees

The Members are appointed under Article 12 of the trust's Articles of Association, which states:

The Members of the Academy Trust shall comprise

- a. the signatories to the Memorandum until they resign or otherwise cease to be members; and
- b. any person appointed under Article 15A;

New trustees are appointed by the Members under article 50 which states:

The Members may appoint by special resolution up to 7 Trustees.

Or under article 58 which states:

The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees.

The Trust has Local Governing Bodies, each including at least two parent governors so does not have Parent Trustees.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees utilises both classroom/online-based courses provided by Southend Governor Services and internal induction. Where necessary induction and training covers charity, educational, legal and financial matters.

All new trustees are offered tours of both Academies and the chance to meet with staff and pupils as well as ongoing support and advice from the Company Secretary. All trustees are provided with copies of the relevant policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees.

Organisational Structure

Eastwood Park Academy Trust has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executives who are the senior leadership team.

The board of trustees has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the trust and monitor its progress towards these objectives. Trustees are responsible for setting general policies, adopting an annual plan and budget for its academies, monitoring each academy by use of budgets and making major decisions about the direction of the trust, including capital expenditure and senior staff appointments.

The board of trustees has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The academy principles are directly responsible for the day to day running of their academy and are assisted by their Senior Leadership Teams.

The Principal of The Eastwood Academy assumes the accounting officer role.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The Trust operates a robust Pay Policy which sets out the framework for making decisions on staff pay. It has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD). The objective of the policy is to:

ensure that pay and staffing arrangements enable the current and future delivery of the curriculum and trust improvement plans;

support the recruitment and retention of high quality staff;

recognise and reward staff for their contribution to trust improvement;

ensure that pay decisions are made in a fair and transparent way; and

ensure that budgetary funds are allocated appropriately.

Remuneration awards in the year are subject to the key management personnel demonstrating a sustained high quality of performance, as indicated by the extent to which objectives delineated in his/her annual Performance Management appraisal have been met. A discretionary time-limited pay award for key personnel who have reached the top of their relevant pay range may be awarded.

The Trust has delegated responsibility to the CEO in terms of producing a Pay Review Statement. The Trust Finance Officer will work with the CEO to produce the annual Pay Review Statement.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, Governance and Management (continued)

Trade Union Facility Time

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent of facility time

Percentage of time	Number of employees
0%	2
1% - 50%	
51% - 99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	0
Total pay bill	7,214,001
% of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by Relevant union officials during the relevant period / total Paid facility time hours) x 100	0.00
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Related Parties and other Connected Charities and Organisations

Eastwood Park Academy Trust is an Academy Trust developed by The Eastwood Academy and Bournemouth Park Academy. Its core mission is to provide educational support activities.

In addition to this, the Trust also provides a procurement framework that enables its member academies to access commercial services that ensure value for money and consistent quality. For these commercial services Eastwood Park Academy Trust has entered into agreements with commercial providers of back office services including: legal, HR, Payroll, Insurance, financial systems and accountancy services.

Objectives and Activities

Objects and Aims

The principal object and activity of the trust is the operation of The Eastwood Academy and Bournemouth Park Academy, to advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

Objectives, Strategies and Activities

In accordance with the articles of association, the trust has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to each academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

The main objectives of the trust during the year ended 31 August 2021 are summarised below:

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the academies by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the trust's business in accordance with the highest standards of integrity, probity and openness.

The Trust's vision is to create:

- a strong ethos of achievement leading to improved standards
- personal confidence
- appropriate thinking skills

This is achieved through developing:

- a sense of personal identity
- a sense of belonging to an individual academy
- an emphasis on personal and community responsibility
- a positive learning climate in terms of the nature of courses offered and teaching styles utilised
- positive relationships with external partners

Public Benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report - Achievements and Performance.

Key Performance Indicators

The [Performance Review 2021](#) can be accessed from the EPAT website.

Key financial performance indicators include the number of pupils on roll since this forms the basis of the ESFA's funding. In accordance with the changes to the Academy's Admissions Policy, The Eastwood Academy will continue to accept 220 pupils into Year 7.

The other main financial performance indicator is staffing costs as a percentage of total income. For 2020/21 this was 75% (2019/20 this was 73%) This demonstrates that the academy has managed the cost of living rise and performance related increments at a time when income from the ESFA is reducing.

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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report - Financial Review

Finance Review

Covid-19 Impact

Both academies in the Trust had little school generated income due to partial closures in the year. Bournemouth Park had less income through Breakfast Clubs and After School club and both academies had reduced catering income. The Eastwood Academy had no letting income in the period.

Increased cleaning costs were incurred by both academies to mitigate any covid transmission plus The Eastwood Academy purchased additional portable toilets to ensure each year group had their own toilet facilities and this incurred additional cleaning and maintenance costs. To make use of the outside areas, The Eastwood Academy purchased more outdoor seating.

Both academies received additional funding for Covid Catch up which paid for additional tutoring for those pupils who were identified as requiring additional support. Bournemouth Park Academy received £43,200 and The Eastwood Academy received £85,840.

The Eastwood Academy ran a Summer School in the first week of the Summer Break which was open to all pupil due to the start the academy in September 2021 and all pupils in Year 7 in 2020/21. Funds were used from the DFE Summer School Funding Grant details of which can be found on the academy website [Summer School Report 2021](#)

Both academies received laptops donated by the DFE to our pupils who were identified as disadvantaged and these were distributed at the beginning of January 2021.

Principal Funding

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2005), such grants 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 expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the trust. It should be noted that this does not present the trust with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free')

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report - Financial Review (continued)

The level of reserves held by the trust takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves.

The trustees consider that the appropriate level of free reserves held to be approximately £670,000.

The trust is building its' reserves to facilitate:

- the refurbishment of the existing Science Block at The Eastwood Academy, with costs estimated to be in the region of £0.5m. The timescale for this project is completion by Summer 2022

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £3,523,000 (2020: £2,991,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

Investment Policy

The Memorandum of Association allows the trust to deposit or invest any funds not immediately required for the furtherance of its objects. At the current time the trust only holds cash reserves at the bank on interest bearing accounts.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2021. 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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

The Trust does not engage in any formal fundraising.

Plans for Future Periods

The Strategic and Operational Overview can be accessed from the EPAT website.

Funds Held as Custodian Trustee on Behalf of Others

The trust held £235,073 as custodian on behalf of the Southend West School Sports Partnership. These funds are held in a separate bank account in the name of the Sports Partnership and are not included in these financial statements.

Auditor

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 1st December 2021 and signed on the board's behalf by:



Adeela Fethi
Chair of Trustees

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

The board of trustees has delegated the day-to-day responsibility to the CEO, Mr N Houchen, 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 Eastwood Park Academy Trust 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

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 8 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
David Allen	0	0
Adeela Fethi	8	8
Iain Harkes	7	8
Karen Heath	7	8
Neil Houchen	8	8
Mark Wilson	8	8

Recruitment to the Board of Trustees is carried out on a skills basis. It had been agreed that there should be seven members of the Board. The board is presently carrying two vacancies. The inability to physically meet due to the Covid-19 pandemic delayed recruitment plans during the year but these plans have been carried over and Trustees intend to fill at least one of these vacancies during the Summer Term 2022. Other than this, the Board are content with their number and composition.

The first key challenge for the Board this year has been overseeing the response of the two Academies to the Coronavirus pandemic and ensuring continuity of governance where physical meetings have not been possible. The second key challenge has been overseeing a redundancy process at Bournemouth Park Academy in order to ensure future balanced budgets.

Governance Review

Governance within the trust was rated as 'Outstanding' by OFSTED as part of an inspection of The Eastwood Academy in December 2018. Comments on governance included:

Governors have a clear and accurate view of the school's strengths. They provide leaders with effective support and challenge, which ensures that the school continues to improve.

The Structure of Governance across the Trust was considered on a formal basis in May 2021 using the NGA's 21 questions for MAT Governance. There were no areas of significant concern.

Trustees met eight times to consider education matters and three times as the Finance and Audit Committee (on which all Trustees sit). Financial oversight was maintained at these meetings and by the distribution to all Trustees of monthly accounts which are approved by the chair and which all Trustees are invited to scrutinise.

The **Finance & Audit Committee** is a Committee of the Board of Trustees. Its purpose is to, through delegated authority, take financial decisions on behalf of the board of trustees, to provide independent checking of the Trust's financial controls, systems transactions and risks, review of the reports from the external auditor, Edmund Carr, and the completion of a Statement of Internal Control for each constituent Academy. All Trustees sit on this Committee. Issues dealt with in the year include the consideration and recommendation that the board of Trustees adopt the accounts for 2020/21 and the 3 year budget plans for the 2021/22, 2022/23 and 2023/24 academic years.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance across the Finance & Audit Committee meetings in the year was as follows

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
David Allen	0	0
Adeela Fethi	3	3
Iain Harkes	2	3
Karen Heath	3	3
Neil Houchen	3	3
Mark Wilson	3	3

Review for Value for Money

As accounting officer the CEO, Mr Neil Houchen, has responsibility for ensuring that the 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 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 trust has delivered improved value for money during the year by:

- Continually striving to improve the education outcomes of pupils at the Trust academies. The 2020/21 results can be viewed online at: Performance Review 2020
- Improving facilities for learning by investing in property and updating the ICT equipment;
- Using government recognised frameworks such as YPO for tendering for contracts including the cleaning & caretaking contract and photocopier contract
- Following robust financial procedures ensuring budget holders obtain three competitive quotations for orders between. £1,000 (£2,500 building works) and £29,999 For orders in excess of £29,999 formal tendering procedures must be followed

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 Eastwood Park Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

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
- identification and management of risks.

The board of trustees has decided:

- to buy-in an internal audit service from Edmund Carr, Chartered Accountants

The internal auditor's / reviewer's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of purchase system from purchase order to payment of invoice;
- review of the payroll system to ensure that employees are correctly remunerated and payments are only made to current employees;
- review of Aged Debtor and Creditor reports; and
- review of Control Accounts for VAT, bank accounts, credit cards, payroll, debtors and creditors

On a termly basis, the auditor / reviewer reports to the board of trustees, through the Finance & Audit Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

Review of Effectiveness

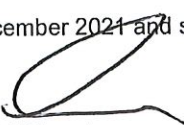
As accounting officer, the CEO, Mr N Houchen has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Audit Committee and a plan to address weaknesses [if relevant] and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 1 December 2021 and signed on their behalf by:


Mrs Adpela Fethi
Chair of Trustees


Mr Neil Houchen
Accounting Officer

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Eastwood Park Academy Trust 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 2020.

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 2020.

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.



Mr N Houchen
Accounting Officer
Date: 1 December 2021

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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 and 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:

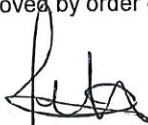
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 on 1 December 2021 and signed on its behalf by:



Mrs Adpela Fethi
Chair of Trustees

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTWOOD PARK ACADEMY TRUST**

Opinion

We have audited the financial statements of Eastwood Park Academy Trust (the 'academy trust') for the year ended 31 August 2021 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 2021 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 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTWOOD PARK ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTWOOD PARK ACADEMY TRUST (CONTINUED)**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTWOOD PARK ACADEMY TRUST (CONTINUED)**

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.

Michael Durst (Senior Statutory Auditor)



for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

1 December 2021

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EASTWOOD
PARK ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 31 October 2011 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Eastwood Park Academy Trust during the year 1 September 2020 to 31 August 2021 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 Eastwood Park Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Eastwood Park Academy Trust 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 Eastwood Park Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Eastwood Park Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Eastwood Park Academy Trust's funding agreement with the Secretary of State for Education dated 17 August 2011 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EASTWOOD
PARK ACADEMY TRUST 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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 1 December 2021

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:						
Donations and capital grants	3	-	6	527	533	119
Other trading activities	5	-	50	-	50	199
Investments	6	-	1	-	1	7
Charitable activities	4	-	9,596	-	9,596	9,050
Total income		-	9,653	527	10,180	9,375
Expenditure on:						
Raising funds		-	2	-	2	122
Charitable activities	8	-	9,251	650	9,901	9,315
Total expenditure		-	9,253	650	9,903	9,437
Net income/(expenditure)		-	400	(123)	277	(62)
Transfers between funds	19	-	(224)	224	-	-
Net movement in funds before other recognised gains/(losses)		-	176	101	277	(62)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(199)	-	(199)	(304)
Net movement in funds		-	(23)	101	78	(366)
Reconciliation of funds:						
Total funds brought forward		37	(977)	20,957	20,017	20,383
Net movement in funds		-	(23)	101	78	(366)
Total funds carried forward		37	(1,000)	21,058	20,095	20,017

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

The notes on pages 23 to 48 form part of these financial statements.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07700909

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	21,058	20,957
		21,058	20,957
Current assets			
Stocks	15	6	5
Debtors	16	281	228
Cash at bank and in hand		2,951	2,369
		3,238	2,602
Creditors: amounts falling due within one year	17	(523)	(477)
		2,715	2,125
Net current assets			
		23,773	23,082
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	18	(154)	(74)
		23,619	23,008
Net assets excluding pension liability			
Defined benefit pension scheme liability	27	(3,523)	(2,991)
		20,096	20,017
Total net assets			
		20,096	20,017
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	21,058	20,957
Restricted income funds	19	2,524	2,014
		23,582	22,971
Restricted funds excluding pension asset	19	23,582	22,971
Pension reserve	19	(3,523)	(2,991)
		20,059	19,980
Total restricted funds	19	20,059	19,980
Unrestricted income funds	19	37	37
		20,096	20,017
Total funds			
		20,096	20,017

The financial statements on pages 20 to 48 were approved by the Trustees, and authorised for issue on 01 December 2021 and are signed on their behalf, by:

Mrs Adeela Fethi
Chair of Trustees

The notes on pages 23 to 48 form part of these financial statements.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021	2020
		£000	£000
Cash flows from operating activities			
Net cash provided by operating activities	21	713	588
Cash flows from investing activities			
	23	(223)	(192)
Cash flows from financing activities			
	22	92	(12)
Change in cash and cash equivalents in the year		582	384
Cash and cash equivalents at the beginning of the year		2,369	1,985
Cash and cash equivalents at the end of the year	24, 25	<u>2,951</u>	<u>2,369</u>

The notes on pages 23 to 48 form part of these financial statements

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 25 to 80 years
Long-term leasehold property	- 125 years
Furniture and equipment	- 5 years
Computer equipment	- 3 years

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

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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 are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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.

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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.12 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.

1.13 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.

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.

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

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 27, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Donations	-	6	-	6	32
Capital grants	-	-	527	527	87
	<u>-</u>	<u>6</u>	<u>527</u>	<u>533</u>	<u>119</u>
<i>Total 2020</i>	<u>15</u>	<u>17</u>	<u>87</u>	<u>119</u>	

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the academy trust's educational operations

	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants			
General Annual Grant	7,930	7,930	7,588
Other DfE/ESFA grants			
Pupil premium	603	603	584
UIFSM	53	53	61
Other ESFA grants	443	443	449
	-	9,029	8,682
Other Government grants			
Local authority grants	388	388	325
	388	388	325
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	129	129	-
Other DfE/ESFA Covid-19 funding	47	47	43
	176	176	43
COVID-19 additional funding (non-DfE/ESFA)			
Other Covid-19 funding	3	3	-
	3	3	-
	9,596	9,596	9,050
<i>Total 2020</i>	9,050	9,050	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The trust received £129,040 of funding for catch-up premium and costs incurred in respect of this funding totalled £76,588, with the remaining balance of £52,452 in 2021/22.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Lettings income	-	-	-	32
Trips income	-	6	6	52
Catering income	-	17	17	22
RPA insurance claim - trips	-	-	-	47
Income from other charitable activities	-	27	27	46
	<u>-</u>	<u>50</u>	<u>50</u>	<u>199</u>
<i>Total 2020</i>	<u>92</u>	<u>107</u>	<u>199</u>	

6. Investment income

	Restricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Bank interest	1	1	7
	<u>1</u>	<u>1</u>	<u>7</u>
<i>Total 2020</i>	<u>7</u>	<u>7</u>	

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs	Premises	Other	Total	<i>Total</i>
	2021	2021	2021	2021	2020
	£000	£000	£000	£000	£000
Expenditure on raising voluntary income:					
Direct costs	-	-	2	2	100
Expenditure on fundraising trading activities:					
Direct costs	-	-	-	-	22
Educational operations:					
Direct costs	6,611	-	554	7,165	6,763
Allocated support costs	904	1,428	404	2,736	2,552
	<u>7,515</u>	<u>1,428</u>	<u>960</u>	<u>9,903</u>	<u>9,437</u>
<i>Total 2020</i>	<u><u>7,064</u></u>	<u><u>1,357</u></u>	<u><u>1,016</u></u>	<u><u>9,437</u></u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted	Total	<i>Total</i>
	funds	funds	funds
	2021	2021	2020
	£000	£000	£000
Educational operations	9,901	9,901	9,315
	<u>9,901</u>	<u>9,901</u>	<u>9,315</u>
<i>Total 2020</i>	<u><u>9,315</u></u>	<u><u>9,315</u></u>	

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Educational operations	7,165	2,737	9,902	9,315
<i>Total 2020</i>	6,764	2,551	9,315	

Analysis of direct costs

	Educational operations 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Staff costs	6,504	6,504	6,211
Staff restructuring costs	103	103	-
Technology costs	19	19	37
Examination fees	64	64	59
Broadband and telephone costs	19	19	17
Staff training and development	16	16	21
Licences	14	14	52
Non ICT educational supplies	396	396	316
Transport costs	12	12	9
Other direct costs	15	15	21
Agency supply costs	3	3	21
	7,165	7,165	6,764
<i>Total 2020</i>	6,763	6,764	

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Pension finance costs	44	44	43
Staff costs	615	615	601
Depreciation	650	650	601
Utilities	200	200	168
Site management	531	531	497
Insurance	36	36	30
Catering provision	147	147	180
Repairs and maintenance	149	149	114
Other support costs	30	30	24
Non cash pension costs	289	289	231
Governance costs	45	45	62
	<u>2,736</u>	<u>2,736</u>	<u>2,551</u>
<i>Total 2020</i>	<u>2,552</u>	<u>2,551</u>	

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have both been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £000	2020 £000
Operating lease rentals	19	7
Depreciation of tangible fixed assets	650	601
Fees paid to auditors for:		
- audit	13	12
- other services	3	3
	<u>685</u>	<u>623</u>

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£000	£000
Wages and salaries	5,401	5,220
Social security costs	558	489
Pension costs	1,161	1,103
	7,120	6,812
Agency staff costs	3	21
Staff restructuring costs	103	-
Non cash pension costs	289	231
	7,515	7,064

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have both been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

Staff restructuring costs comprise:

	2021	2020
	£000	£000
Redundancy payments	88	-
Severance payments	15	-
	103	-

b. Non-statutory/non-contractual staff severance payments

A non-contractual termination payment of £15,000 was paid to one former member of staff during the current period.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Staff (continued)

c. Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2021 No.	2020 No.
Teachers	91	100
Administration and support	70	66
Management	14	11
	175	177
	175	177

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	83	83
Administration and support	51	51
Management	14	13
	148	147
	148	147

d. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	6	6
In the band £70,001 - £80,000	1	3
In the band £80,001 - £90,000	2	1
In the band £120,001 - £130,000	1	1
	10	11
	10	11

e. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page . The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,293,404 (2020 £1,256,282).

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021 £000	2020 £000
Mr N Houchen, CEO and Accounting Officer	Remuneration	125 - 130	120 - 125
	Pension contributions paid	25 - 30	25 - 30

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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.

14. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Assets under construction £000	Furniture and fixtures £000	Plant and equipment £000	Total £000
Cost or valuation						
At 1 September 2020	18,642	8,163	80	1,031	323	28,239
Additions	286	206	57	37	165	751
Transfers between classes	-	80	(80)	-	-	-
At 31 August 2021	18,928	8,449	57	1,068	488	28,990
Depreciation						
At 1 September 2020	5,970	247	-	825	240	7,282
Charge for the year	426	87	-	66	71	650
At 31 August 2021	6,396	334	-	891	311	7,932
Net book value						
At 31 August 2021	12,532	8,115	57	177	177	21,058
At 31 August 2020	12,672	7,916	80	206	83	20,957

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Stocks

	2021 £000	2020 £000
Uniform stock	6	5
	<u>6</u>	<u>5</u>

16. Debtors

	2021 £000	2020 £000
Due within one year		
Trade debtors	36	25
Other debtors	42	13
Prepayments and accrued income	203	190
	<u>281</u>	<u>228</u>
	<u>281</u>	<u>228</u>

17. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Other loans	20	8
Trade creditors	85	141
Payroll creditors	284	251
Accruals and deferred income	134	77
	<u>523</u>	<u>477</u>
	<u>523</u>	<u>477</u>

Other loans due within one year relate to £7,112 from Salix Finance Limited (Salix) (2 loans) and £13,037 from the ESFA under the Condition Improvement Fund (CIF)(6 loans). These loans are unsecured, the Salix loans are repayable over 8 years and the CIF loans are repayable over 10 years. Interest rates on the CIF loans vary between 1.85% and 2.29%.

	2021 £000	2020 £000
Deferred income at 1 September 2020	42	113
Resources deferred during the year	37	42
Amounts released from previous periods	(42)	(113)
	<u>37</u>	<u>42</u>
	<u>37</u>	<u>42</u>

At the balance sheet date the Academy Trust was holding funds received in advance for grants receivable.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Creditors: Amounts falling due after more than one year

	2021 £000	2020 £000
Other loans	154	74
	154	74

Other loans falling due after one year relate to £46,434 from Salix Finance Limited (Salix) (2 loans) and £107,341 from the ESFA under the Condition Improvement Fund (CIF)(6 loans). These loans are unsecured, the Salix loans are repayable over 8 years and the CIF loans are repayable over 10 years. Interest rates on the CIF loans vary between 1.85% and 2.29%.

19. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds - all funds	37	-	-	-	-	37
	37	-	-	-	-	37
Restricted general funds						
GAG funding	2,014	7,930	(7,248)	(224)	-	2,472
Pupil premium funding	-	603	(603)	-	-	-
Catch-up premium	-	129	(77)	-	-	52
Other DfE/ESFA Covid-19 funding	-	47	(47)	-	-	-
Other Covid-19 funding	-	3	(3)	-	-	-
Other grants	-	886	(886)	-	-	-
General	-	56	(56)	-	-	-
Pension reserve	(2,991)	-	(333)	-	(199)	(3,523)
	(977)	9,654	(9,253)	(224)	(199)	(999)

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Restricted fixed asset funds						
CIF funding	20,957	527	(650)	224	-	21,058
Total Restricted funds	19,980	10,181	(9,903)	-	(199)	20,059
Total funds	20,017	10,181	(9,903)	-	(199)	20,096

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

All funds originated from assets gifted by the predecessor school. In addition:

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the Trust.

The restricted funds can only be used in terms of limitations imposed the the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds consist of the school fund balances transferred into the Trust on conversion and income and expenditure in the school fund from that date until the year end.

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 2021.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
Unrestricted funds						
General Funds - all funds	30	107	(100)	-	-	37
Restricted general funds						
GAG funding	1,441	7,588	(6,869)	(146)	-	2,014
Pupil premium funding	-	603	(603)	-	-	-
Catch-up premium	-	491	(491)	-	-	-
Other DfE/ESFA Covid-19 funding	-	368	(368)	-	-	-
Other Covid-19 funding	-	131	(131)	-	-	-
Pension reserve	(2,413)	-	(274)	-	(304)	(2,991)
	(972)	9,181	(8,736)	(146)	(304)	(977)
	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	21,325	-	(601)	146	-	20,870
CIF funding	-	32	-	-	-	32
LA funding	-	55	-	-	-	55
	21,325	87	(601)	146	-	20,957
Total Restricted funds	20,353	9,268	(9,337)	-	(304)	19,980
Total funds	20,383	9,375	(9,437)	-	(304)	20,017

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000	2020 £000
The Eastwood Academy	2,253	1,755
Bournemouth Park Academy	276	268
Held centrally	32	28
	2,561	2,051
Total before fixed asset funds and pension reserve		
Restricted fixed asset fund	21,058	20,957
Pension reserve	(3,523)	(2,991)
	20,096	20,017

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
The Eastwood Academy	3,947	526	378	676	5,527	5,520
Bournemouth Park Academy	2,606	288	261	317	3,472	3,307
Paid centrally	58	90	19	87	254	218
Consolidation adjustment	-	-	-	-	-	(209)
	6,611	904	658	1,080	9,253	8,836

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	21,058	21,058
Current assets	37	3,201	-	3,238
Creditors due within one year	-	(523)	-	(523)
Creditors due in more than one year	-	(154)	-	(154)
Provisions for liabilities and charges	-	(3,523)	-	(3,523)
Total	37	(999)	21,058	20,096

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Restricted fixed asset funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Tangible fixed assets	-	-	20,957	20,957
Current assets	37	2,565	-	2,602
Creditors due within one year	-	(477)	-	(477)
Creditors due in more than one year	-	(74)	-	(74)
Provisions for liabilities and charges	-	(2,991)	-	(2,991)
Total	37	(977)	20,957	20,017

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £000	2020 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	277	(62)
Adjustments for:		
Depreciation	650	601
Capital grants from DfE and other capital income	(527)	(87)
Interest receivable	(1)	(7)
Defined benefit pension scheme cost less contributions payable	289	229
Defined benefit pension scheme finance cost	44	43
(Increase)/decrease in stocks	(1)	1
(Increase)/decrease in debtors	(53)	146
Increase/(decrease) in creditors	34	(278)
Defined benefit pension scheme administration cost	1	2
Net cash provided by operating activities	713	588

22. Cash flows from financing activities

	2021 £000	2020 £000
Cash inflows from new borrowing	99	-
Repayments of borrowing	(7)	(12)
Net cash provided by/(used in) financing activities	92	(12)

23. Cash flows from investing activities

	2021 £000	2020 £000
Dividends, interest and rents from investments	1	7
Purchase of tangible fixed assets	(751)	(286)
Capital grants from DfE Group	527	87
Net cash used in investing activities	(223)	(192)

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Analysis of cash and cash equivalents

	2021	2020
	£000	£000
Cash in hand and at bank	2,951	2,369
Total cash and cash equivalents	2,951	2,369

25. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	2,369	582	2,951
Debt due within 1 year	(8)	(12)	(20)
Debt due after 1 year	(74)	(80)	(154)
	2,287	490	2,777

26. Capital commitments

	2021	2020
	£000	£000
Contracted for but not provided in these financial statements		
Acquisition of tangible assets	199	310
	199	310

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2021.

Contributions amounting to £140,745 were payable to the schemes at 31 August 2021 (2020 - £102,672) and are included within creditors.

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. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions 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 every 4 years. 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. 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% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 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
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, 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 including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £883,693 (2020 - £833,938).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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.

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. 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 2021 was £355,000 (2020 - £343,000), of which employer's contributions totalled £285,000 (2020 - £276,000) and employees' contributions totalled £ 70,000 (2020 - £67,000). The agreed contribution rates for future years are 25.0 per cent for employers and between 5.5 and 12.5 per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Essex Pension Fund	2021	<i>2020</i>
	%	%
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment/inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60

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

	2021	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.1	25.2

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

Sensitivity analysis

Essex Pension Fund	2021 £000	2020 £000
Discount rate +0.1%	329	132
Discount rate -0.1%	349	135
Mortality assumption - 1 year increase	353	195
Mortality assumption - 1 year decrease	325	189
CPI rate +0.1%	339	120
CPI rate -0.1%	339	118

Share of scheme assets

The academy trust's share of the assets in the scheme was:

	2021 £000	2020 £000
Equities	2,088	1,444
Gilts	82	100
Other bonds	151	131
Property	228	181
Cash and other liquid assets	91	64
Alternative assets	362	271
Other managed funds	259	141
Total market value of assets	3,261	2,332

The actual return on scheme assets was £579,000 (2020 - £18,000).

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

	2021 £000	2020 £000
Current service cost	(572)	(505)
Interest income	41	40
Interest cost	(85)	(83)
Administrative expenses	(2)	(2)
Employer contributions	285	276
Total amount recognised in the Statement of Financial Activities	(333)	(274)

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

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

	2021 £000	2020 £000
At 1 September	5,323	4,435
Current service cost	572	505
Interest cost	85	83
Employee contributions	70	67
Actuarial losses/(gains)	782	301
Benefits paid	(48)	(68)
	<u>6,784</u>	<u>5,323</u>
At 31 August	6,784	5,323

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2021 £000	2020 £000
At 1 September	2,332	2,022
Administration expenses	(2)	(2)
Other actuarial losses	-	(21)
Interest income	41	40
Actuarial gains	583	18
Employer contributions	285	276
Employee contributions	70	67
Benefits paid	(48)	(68)
	<u>3,261</u>	<u>2,332</u>
At 31 August	3,261	2,332

28. Operating lease commitments

At 31 August 2021 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £000	2020 £000
Not later than 1 year	19	5
Later than 1 year and not later than 5 years	36	11
	<u>55</u>	<u>16</u>
	<u>55</u>	<u>16</u>

EASTWOOD PARK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

29. 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.

30. Related party transactions

Owing to the nature of the academy trust 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 the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.