

Company registration number 07700909 (England and Wales)

EASTWOOD PARK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

EASTWOOD PARK ACADEMY TRUST

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EASTWOOD PARK ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

D Allen (resigned 13th september 2021)
D Hagan
J March (resigned 14 June 2022)
T Summerhill
A Winfield (Appointed 14 June 2022)
S Watkins (appointed 11 October 2022)

Trustees

A Fethi (Chair)
I Harkes
K Heath
N Houchen (Accounting Officer)
M Wilson

Senior management team

- CEO & Principal of the Eastwood Academy N Houchen
- Principal of Bournemouth Park Academy W Brogan
- Chief Financial Officer S Freeman

Company secretary

R Botley

Company registration number

07700909 (England and Wales)

Academies operated

The Eastwood Academy
Bournemouth Park Academy

Location

Leigh-on-Sea
Southend-on-Sea

Headteacher

Mr M Houchen
Mr W Brogan

Independent auditor

Azets Audit Services
1 Nelson Street
Southend-On-Sea
Essex
SS1 1EG
United Kingdom

Bankers

Lloyds Bank Plc
77 High Street
Southend-On-Sea
Essex
SS1 1HT
United Kingdom

Solicitors

Stone King LLP
13 Queen Square
Bath
Avon
BA1 2HJ
United Kingdom

EASTWOOD PARK ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. 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 1,643 in the Summer Term school census on May 2022.

Structure, governance and management

Constitution

The academy 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 known as 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 trustees of Eastwood Park Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the 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 judgement 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:

- the signatories to the Memorandum until they resign or otherwise cease to be members; and
- 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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 roles 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 assumed 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 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.

The CEO has a performance management review with an external consultant, the findings of the review are passed to Trustees who will decide on any remuneration rewards.

EASTWOOD PARK ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	2.00

Percentage of time spent on 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	-
Total pay bill	7,192,663
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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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 officer services including: legal, HR, Payroll, Insurance, financial systems and accountancy services.

The Trust act as a custodian of funds for Southend West Sports Partnership.

Objectives and activities

Objects and aims

The Trust has a 3 Year Development Plan - Trust Development Plan 2022-2025 – which is published on the EPAT website.

The Trust's ethos - 'Believe, Succeed, Together' – is an unwavering belief that all pupils can and will succeed and this will be achieved together.

The Trust's vision is to provide sustainable, high quality educational provision, standards and outcomes in local schools.

This vision is articulated into 10 commitments:

1. To provide opportunities for all primary pupils to achieve:
Good Level of Development (GLD) at Early Years Foundation Stage (EYFS).
Required Standard (WA) in Year 1 Phonics.
Expected Standard (EXS) at KS1.
Expected Standard (EXP+) at KS2.

EASTWOOD PARK ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2. To provide opportunities for all secondary pupils to achieve:

Expected Progress at KS3.

9-4 in GCSE English and Mathematics.

English Baccalaureate (EBacc).

Expected Attainment 8 (A8).

Expected Progress 8 (P8).

3. To provide environments in which all pupils feel proud of their academy, shown by their excellent behaviour, attitude to learning, attendance and punctuality.

4. To provide safe and secure environments in which all pupils are able to thrive and any concerns they have are dealt with promptly and effectively.

5. To provide learning environments in which the majority of teaching is outstanding and never less than consistently good.

6. To provide opportunities for all pupils to develop high levels of literacy appropriate to their age.

7. To provide opportunities for all pupils to develop high levels of numeracy appropriate to their age.

8. To provide environments in which all pupils are able to broaden their education through a range of SMSC opportunities.

9. To provide environments in which every opportunity is taken to celebrate and share success.

10. To provide opportunities and experiences for all pupils so that they are well equipped for the next stage in their education, training or employment.

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

Key performance indicators

The Performance Review 2022 is published on the EPAT website. The Review documents how each constituent academy within the Trust has performed against the 10 commitments listed in the 'Objectives and Aims' section of the Trustees' Report. Within each commitment, the performance is rag-rated and includes commentary and/or evidence to justify or substantiate the rating.

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 and Bournemouth Park has had its PAN reduced from 90 to 60 pupils from September 2022.

The other main financial performance indicator is staffing costs as a percentage of total income. For 2021/22 this was 70% (2020/21 this was 75%). 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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

EASTWOOD PARK ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

Covid-19 Impact

Bournemouth Park Academy had increased Agency supply costs due to sickness absence amongst class teachers due to Covid. This had to be funded by the academy as the academy did not qualify for additional funding for staff absence due to the level of reserves held.

As academies have been able to fully open, the academies in the Trust have been in a position to generate trading income during 2021/22. Bournemouth Park has received income through Breakfast Clubs and After School club and both academies have seen an increase in catering income. The Eastwood Academy has been able to generate income via lettings.

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 £38k in Recovery Premium and £35k in School Led Tuition funding. The Eastwood Academy received £37k in Recovery Premium and £40k in School Led Tuition funding, plus £2k to cover the cost of vaccinations being administered at the school.

In the first week of the Summer Break, The Eastwood Academy ran a self-funded Summer School for all incoming Year 7s and those pupils going into Year 8. This was off the back of the success of last year's funded Summer School.

Income & Expenditure

The Eastwood Academy received £6,670k in both ESFA, LA and self generated revenue income.

An additional Supplementary Grant of £80k was received in June 22 which was used to offset the increase in staff costs due to the Health and Social Care levy.

The self generated income of £81k was mainly attributed to lettings income. Although this area generates some income for the academy, a decision was made at the end of the year to no longer continue with lets during the weekend period. This decision was made due to the rising costs of energy which were exceeding the income received from the lets making it no longer viable as an income generator.

Increased energy costs have been of significant concern to The Eastwood Academy due the size of the academy. The total expenditure for energy in 21/22 was £181k which was £36k over budget. Budget forecasts have been increased in this area for future years to take into account the increase cost, plus £180k has been set aside in reserves to mitigate against any further increases, given the volatile nature of the market.

The Trustees agreed that £500k of revenue income could be allocated to capital to enable the refurbishment of the Science Block and works were started in the Summer of 2022. The works were required due to the expansion of the academy as well as to update the current facilities.

Staffing costs for the year were a total of £4,838k which equated to 72.1% of total income received which is below the benchmark of 75%.

Bournemouth Park Academy received £3,426k in both ESFA, LA and self generated revenue income. The academy also received £382k in Capital Grants, of which £372k was CIF funding. A successful CIF bid was made for a new roof and to update and replace the hot and cold water works within the academy and works were completed in the year.

An additional Supplementary Grant of £33k was received in June 22 to offset the additional staff cost of the Health and Social Care levy.

Increased energy costs have also impacted on the academy with costs exceeding £20k over budget. Again, budgets for the following years have been adjusted to take into account the increased expenditure in future years

Staffing costs for the year came to £2,660k which equated to 69.7% of total income received which is below the benchmark of 75%.

EASTWOOD PARK ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Devolved Capital Formula had been carried forward to the 21/22 year in order to give sufficient capital funds to refurbish the ICT suite in the academy.

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 31st August 2022 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 the pension deficit in the future, although this may not be achieved until stock market investments 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.

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 £834k.

The Trust is building its reserves above the appropriate level to facilitate the following self funded capital projects and to cover volatile revenue expenditure as follows:

- the refurbishment of the existing Science Block at the Eastwood Academy, with costs estimated to be in the region of £0.5m. The timescale of the project is completion by Summer 2022.
- Resurfacing of the astro turf pitch which has been estimated at £100k
- Uncertain cost of energy, £180k set aside

EASTWOOD PARK ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 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 £326k (2021: £3,523k). 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 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.

The Academy held fund balances at 31 August 2022 of £23,783k (2021: £20,096k) comprising £23,611k (2021: £20,059k) of restricted funds and £172k (2021: £37k) of unrestricted general funds. Of the restricted funds, £21,187k (2021: £21,058k) is represented by tangible fixed assets, £209k (2021: £nil) of unspent capital funding, £2,705k (2021: £2,524k) of general restricted funds and a negative fund of £204k representing the government loans that will be repaid from GAG funding in coming years. The Pension reserve which is considered part of restricted funds was £326k (2021: £3,523k) in 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 controls risks are minimised by the implementation of procedures for authorisation of all transactions and projects. The Internal Controls are tested by an external auditor (Edmund Carr, Chartered Accountants) and a report produced for the Finance, Risk & Audit Committee to review.

The Trustees have assessed the major risk 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 2022. 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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

The Trust does not engage in any formal fundraising.

Plans for future periods

The Board approve a Trust Development Plan in the summer Term detailing the Trust's key priorities and how it intends implement them over the next three years.

Funds held as custodian trustee on behalf of others

The Trust held £222,663 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

In so far as the Trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2022 and signed on its behalf by:

A Fethi

Chair

EASTWOOD PARK ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

The board of 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. The accounting officer is 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 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A Fethi (Chair)	6	6
I Harkes	4	6
K Heath	4	6
N Houchen (Accounting Officer)	6	6
M Wilson	6	6

Recruitment to the Board of Trustees is carried out on a skills basis determined by performance at LGB level. It has been agreed that there should be seven members of the Board. The board is presently carrying two vacancies. There has been extensive changes in Local Governors during the year and Trustees are intending to recruit at least one additional Trustee in the Autumn term of 2022. Other than this, the Board are content with their number and composition.

The key challenges for the Board this year have been:

- Continued implementation and monitoring of catch-up/education recovery for pupils (post-pandemic)
- The preparation of balanced 3-year budgets, particularly given huge (unplanned) cost pressures e.g. UK energy prices
- The implementation of key strategic priorities eg curriculum change that were temporarily on hold during the Covid-19 pandemic.

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.

During the summer term of 2022 the Trust Commissioned an external review of Governance. This review resulted in ten recommendations which the Board discussed and began addressing at their meeting on 25 May 2022. A progress check is planned for the Spring of 2023 and the Company Secretary will carry out a skills audit of both LGB's and the Trust during the autumn term of 2022.

Trustees met six times to consider education matters and four times as the Finance Risk 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.

EASTWOOD PARK ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conflicts of Interest

All Members, Trustees, Governors and staff (identified as having a financial responsibility) complete a Declaration of Interest on annual basis or earlier should their circumstances change. Each agenda prepared for a Trustee or Governor has an agenda item of 'Any Declaration of Interests'.

Currently there are no conflicts of interest declared within the Trust. Should a conflict of interest be declared in the future, that individual would have no voting rights where that area of interest is discussed. If a conflict of interest relates to a certain supplier of goods and services to the Trust, then it should be considered to no longer using that supplier to eliminate any conflict of interest.

The Finance Risk & 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 2021/22 and the 3 year budget plans for the 2022/23, 2023/24 and 2024/25 academic years. The Committee has also approved contracts for the refurbishment of The Eastwood Academy's Finance Block and Window replacements as well as roofing and hot & cold water works at Bournemouth Park Academy.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Fethi (Chair)	4	4
I Harkes	3	4
K Heath	4	4
N Houchen (Accounting Officer)	4	4
M Wilson	4	4

Review of value for money

As accounting officer, the CEO, Mr Neil Houchen, has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy 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 202/22 results can be viewed online at: Performance Review 2021
- Improving facilities for learning by undertaking the refurbishment of the Science Block at The Eastwood Academy
- Refurbishing the old boiler in the DT block at The Eastwood Academy, ensuring a more efficient heating system
- Obtaining CIF funding to improve facilities at Bournemouth Park Academy, ie replacing the roof and updating the hot & cold water works to improve efficiency in heating
- 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.

EASTWOOD PARK ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. 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 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, Risk & Audit 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 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, Risk & Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees, 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.

EASTWOOD PARK ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Review of effectiveness

As accounting officer, the Headteacher, 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, Risk & 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 board of trustees on 14 December 2022 and signed on its behalf by:

A Fethi
Chair

N Houchen
Accounting Officer

EASTWOOD PARK ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Eastwood Park Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and 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 Academy Trust Handbook 2021.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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.

N Houchen
Accounting Officer

14 December 2022

EASTWOOD PARK ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Eastwood Park Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 14 December 2022 and signed on its behalf by:

A Fethi
Chair

EASTWOOD PARK ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTWOOD PARK ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Eastwood Park Academy Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

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 'Auditor's responsibilities for the audit of the accounts' 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 accounts in the UK, including the FRC'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.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

EASTWOOD PARK ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTWOOD PARK ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 incorporated 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 accounts 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 statement of trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

EASTWOOD PARK ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASTWOOD PARK ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Catherine Cooper FCCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

21 December 2022

**Chartered Accountants
Statutory Auditor**

1 Nelson Street
Southend-On-Sea
Essex
United Kingdom
SS1 1EG

EASTWOOD PARK ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 19 January 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, 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 period 1 September 2021 to 31 August 2022 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 the 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 Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 period 1 September 2021 to 31 August 2022 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

EASTWOOD PARK ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Azets Audit Services
1 Nelson Street
Southend-On-Sea
Essex
SS1 1EG
United Kingdom

Dated: 21 December 2022

EASTWOOD PARK ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Donations and capital grants	3	26	3	405	434	539
Charitable activities:						
- Funding for educational operations	4	-	9,938	-	9,938	9,596
Other trading activities	5	139	-	-	139	44
Investments	6	1	-	-	1	1
Total		<u>166</u>	<u>9,941</u>	<u>405</u>	<u>10,512</u>	<u>10,180</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	31	9,761	676	10,468	9,902
Total	7	<u>31</u>	<u>9,761</u>	<u>676</u>	<u>10,468</u>	<u>9,902</u>
Net income/(expenditure)		135	180	(271)	44	278
Transfers between funds	19	-	(649)	649	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	3,643	-	3,643	(199)
Net movement in funds		135	3,174	378	3,687	79
Reconciliation of funds						
Total funds brought forward		37	(999)	21,058	20,096	20,017
Total funds carried forward		<u>172</u>	<u>2,175</u>	<u>21,436</u>	<u>23,783</u>	<u>20,096</u>

EASTWOOD PARK ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000
Income and endowments from:					
Donations and capital grants	3	-	12	527	539
Charitable activities:					
- Funding for educational operations	4	-	9,596	-	9,596
Other trading activities	5	-	44	-	44
Investments	6	-	1	-	1
Total		-	9,653	527	10,180
Expenditure on:					
Charitable activities:					
- Educational operations	9	-	9,252	650	9,902
Total	7	-	9,252	650	9,902
Net income/(expenditure)		-	401	(123)	278
Transfers between funds	19	-	(224)	224	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	21	-	(199)	-	(199)
Net movement in funds		-	(22)	101	79
Reconciliation of funds					
Total funds brought forward		37	(977)	20,957	20,017
Total funds carried forward		37	(999)	21,058	20,096

EASTWOOD PARK ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		21,187		21,058
Current assets					
Stocks	14	6		6	
Debtors	15	286		281	
Cash at bank and in hand		3,628		2,951	
		<u>3,920</u>		<u>3,238</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(818)		(523)	
Net current assets			<u>3,102</u>		<u>2,715</u>
Total assets less current liabilities			<u>24,289</u>		<u>23,773</u>
Creditors: amounts falling due after more than one year	17		(180)		(154)
Net assets before defined benefit pension scheme liability			<u>24,109</u>		<u>23,619</u>
Defined benefit pension scheme liability	21		(326)		(3,523)
Total net assets			<u>23,783</u>		<u>20,096</u>
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds			21,436		21,058
- Restricted income funds			2,501		2,524
- Pension reserve			(326)		(3,523)
Total restricted funds			<u>23,611</u>		<u>20,059</u>
Unrestricted income funds	19		172		37
Total funds			<u>23,783</u>		<u>20,096</u>

The accounts on pages 21 to 45 were approved by the Trustees and authorised for issue on 14 December 2022 and are signed on their behalf by:

A Fethi
Chair

Company registration number 07700909

EASTWOOD PARK ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	22		1,047		713
Cash flows from investing activities					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		405		527	
Purchase of tangible fixed assets		(805)		(751)	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(399)		(223)
Cash flows from financing activities					
Repayment of long term bank loan		30		92	
Finance costs		(1)		-	
		<u> </u>		<u> </u>	
Net cash provided by financing activities			29		92
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents in the reporting period			677		582
Cash and cash equivalents at beginning of the year			2,951		2,369
			<u> </u>		<u> </u>
Cash and cash equivalents at end of the year			3,628		2,951
			<u> </u>		<u> </u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2021 to 2022 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

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 period for which it is receivable, and any abatement in respect of the period 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.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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:

Freehold property	25 to 80 years
Long-term leasehold property	125 years
Assets under construction	n/a
Computer equipment	3 years
Furniture and fixtures	5 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 value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 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.

1.7 Leased assets

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

1.8 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 basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.11 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The 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 are 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 net income or expenditure 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.

1.12 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 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.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement (Continued)

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 21, 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 2022. 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 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Trips	13	-	13	6
Capital grants	-	405	405	527
Other donations	13	3	16	6
	<u>26</u>	<u>408</u>	<u>434</u>	<u>539</u>

4 Funding for the academy trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	8,510	8,510	7,930
Other DfE/ESFA grants:				
- UIFSM	-	47	47	53
- Pupil premium	-	643	643	603
- Supplementary grant	-	113	113	-
- Recovery premium	-	77	77	-
- Teachers pension grant	-	7	7	287
- Teachers pay grant	-	3	3	102
- Others	-	78	78	54
- National tutoring	-	74	74	-
	<u>-</u>	<u>9,552</u>	<u>9,552</u>	<u>9,029</u>
Other government grants				
Local authority grants	-	386	386	388
	<u>-</u>	<u>386</u>	<u>386</u>	<u>388</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	-	-	179
	<u>-</u>	<u>-</u>	<u>-</u>	<u>179</u>
Total funding	<u>-</u>	<u>9,938</u>	<u>9,938</u>	<u>9,596</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities (Continued)

In 2021, the Trust received £129k of funding for catch up premium and a further £50k in other Covid support.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Lettings income	46	-	46	-
Catering income	24	-	24	17
Income from other charitable activities	-	-	-	27
Other income	69	-	69	-
	<u>139</u>	<u>-</u>	<u>139</u>	<u>44</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Short term deposits	1	-	1	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2022 £'000	Total 2021 £'000
		Premises £'000	Other £'000		
Academy's educational operations					
- Direct costs	6,403	-	514	6,917	7,165
- Allocated support costs	1,168	1,865	518	3,551	2,737
	<u>7,571</u>	<u>1,865</u>	<u>1,032</u>	<u>10,468</u>	<u>9,902</u>

Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000
Fees payable to auditor for:		
- Audit	10	13
- Other services	3	3
Operating lease rentals	17	19
Depreciation of tangible fixed assets	676	650
Bank and loan interest	1	-
Net interest on defined benefit pension liability	56	44
	<u>763</u>	<u>742</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Central services

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

Services

HR
Payroll
RPA Insurance
Audit Services
Internal Audit Services
DPO Services (provided by Essex LA)
H&S (provided by Southend LA)
CPD Training for central staff

Software

Sage
SIMS (MIS)
Orovia (budget planning software)

Staffing

CEO
CFO
VP of Trust
Company Secretary
CN
DP

The academy trust charges for these services on the following basis:

Central costs are recharged at 3.25% of GAG funding, with amendments made allowing for local school budgetary constraints.

The amounts charged during the year were as follows:

	2022	2021
	£'000	£'000
The Eastwood Academy	184	175
Bournemouth Park Academy	80	82
	<u>264</u>	<u>257</u>

9 Charitable activities

	Unrestricted	Restricted	Total	Total
	funds	funds	2022	2021
	£'000	£'000	£'000	£'000
Direct costs				
Educational operations	33	6,884	6,917	7,165
Support costs				
Educational operations	(2)	3,553	3,551	2,737
	<u>31</u>	<u>10,437</u>	<u>10,468</u>	<u>9,902</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities	(Continued)	
Analysis of costs	2022	2021
	£'000	£'000
Direct costs		
Teaching and educational support staff costs	6,403	6,610
Staff development	8	16
Technology costs	83	52
Educational supplies and services	226	396
Examination fees	95	64
Educational consultancy	69	-
Other direct costs	33	27
	<u>6,917</u>	<u>7,165</u>
	<u><u>6,917</u></u>	<u><u>7,165</u></u>
Support costs		
Support staff costs	1,180	904
Depreciation	676	650
Technology costs	36	-
Maintenance of premises and equipment	363	680
Cleaning	488	-
Energy costs	243	200
Rent, rates and other occupancy costs	53	-
Insurance	38	36
Security and transport	21	-
Catering	189	147
Finance costs	57	44
Other support costs	194	31
Governance costs	13	45
	<u>3,551</u>	<u>2,737</u>
	<u><u>3,551</u></u>	<u><u>2,737</u></u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

Staff costs

Staff costs during the year were:

	2022	2021
	£'000	£'000
Wages and salaries	5,409	5,400
Social security costs	553	558
Pension costs	1,525	1,450
	<hr/>	<hr/>
Staff costs - employees	7,487	7,408
Agency staff costs	84	3
Staff restructuring costs	-	103
	<hr/>	<hr/>
Staff development and other staff costs	7,571	7,514
	20	16
	<hr/>	<hr/>
Total staff expenditure	7,591	7,530
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Severance payments	-	88
Other restructuring costs	-	15
	<hr/>	<hr/>
	-	103
	<hr/> <hr/>	<hr/> <hr/>

Staff numbers

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

	2022	2021
	Number	Number
Teachers	91	91
Administration and support	65	70
Management	14	14
	<hr/>	<hr/>
	170	175
	<hr/> <hr/>	<hr/> <hr/>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

(Continued)

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	4	6
£70,001 - £80,000	6	1
£80,001 - £90,000	3	2
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	=====	=====

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £331k (2021: £317k).

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of trustees' remuneration and other benefits was as follows:

Mr N Houchen (CEO and accounting officer)

Remuneration of £130,001 - £135,000 (2021 - £125,001 - £130,000)

Pension contributions of £15,001 - £20,000 (2021 - £25,001 - £30,000)

During the year ended 31 August 2022, no trustee expenses have been incurred (2021- £nil)

12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim. The cost of this insurance cannot be separated from the total insurance cost.

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets

	Freehold property	Long-term leasehold property	Assets under construction	Computer equipment	Furniture and fixtures	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 September 2021	18,928	8,449	57	489	1,068	28,991
Transfer between classes	-	89	(89)	-	-	-
Additions	567	168	32	32	26	825
Disposals	-	-	-	(28)	-	(28)
At 31 August 2022	19,495	8,706	-	493	1,094	29,788
Depreciation						
At 1 September 2021	6,396	334	-	312	891	7,933
On disposals	-	-	-	(8)	-	(8)
Charge for the year	436	95	-	83	62	676
At 31 August 2022	6,832	429	-	387	953	8,601
Net book value						
At 31 August 2022	12,663	8,277	-	106	141	21,187
At 31 August 2021	12,532	8,115	57	177	177	21,058

Additions within freehold property this year include refurbishment works for the science, DT and performing arts blocks, as well as works on doors and canopies.

Additions within leasehold property this year include work on CIF funded roofing and water work projects.

Assets under construction relate to hot water works completed during the year.

14 Stocks

	2022 £'000	2021 £'000
Uniform stock	6	6

15 Debtors

	2022 £'000	2021 £'000
Trade debtors	15	36
VAT recoverable	102	42
Prepayments and accrued income	169	203
	286	281

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

16 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Government loans	24	20
Trade creditors	230	85
Other taxation and social security	136	143
Other creditors	160	141
Accruals and deferred income	268	134
	<u>818</u>	<u>523</u>

17 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Government loans	180	154
	<u>180</u>	<u>154</u>
	2022	2021
	£'000	£'000
Analysis of loans		
Wholly repayable within five years	204	174
Less: included in current liabilities	(24)	(20)
	<u>180</u>	<u>154</u>
Amounts included above	<u>180</u>	<u>154</u>
	2022	2021
	£'000	£'000
Loan maturity		
Debt due in one year or less	24	20
Due in more than one year but not more than two years	24	20
Due in more than two years but not more than five years	72	60
Due in more than five years	84	74
	<u>204</u>	<u>174</u>

Loans include those from Salix Finance Limited (Salix) (2 loans) and from the ESFA under the Condition Improvement Fund (CIF) (8 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%.

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	41	37
	<u>41</u>	<u>37</u>
Deferred income at 1 September 2021	37	42
Released from previous years	(37)	(42)
Resources deferred in the year	41	37
	<u>41</u>	<u>37</u>
Deferred income at 31 August 2022	41	37
	<u><u>41</u></u>	<u><u>37</u></u>

At the balance sheet date the Academy Trust was holding funds received in advance UIFSM income and trips for 2022/23.

19 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	2,524	8,510	(7,884)	(445)	2,705
UIFSM	-	47	(47)	-	-
Pupil premium	-	643	(643)	-	-
Other DfE/ESFA grants	-	352	(352)	-	-
Other government grants	-	386	(386)	-	-
Government loans	-	-	-	(204)	(204)
Other restricted funds	-	3	(3)	-	-
Pension reserve	(3,523)	-	(446)	3,643	(326)
	<u>(999)</u>	<u>9,941</u>	<u>(9,761)</u>	<u>2,994</u>	<u>2,175</u>
	<u><u>(999)</u></u>	<u><u>9,941</u></u>	<u><u>(9,761)</u></u>	<u><u>2,994</u></u>	<u><u>2,175</u></u>
Restricted fixed asset funds					
DfE group capital grants	-	405	-	(156)	249
General fixed assets	21,058	-	(676)	805	21,187
	<u>21,058</u>	<u>405</u>	<u>(676)</u>	<u>649</u>	<u>21,436</u>
	<u><u>21,058</u></u>	<u><u>405</u></u>	<u><u>(676)</u></u>	<u><u>649</u></u>	<u><u>21,436</u></u>
Total restricted funds	<u>20,059</u>	<u>10,346</u>	<u>(10,437)</u>	<u>3,643</u>	<u>23,611</u>
	<u><u>20,059</u></u>	<u><u>10,346</u></u>	<u><u>(10,437)</u></u>	<u><u>3,643</u></u>	<u><u>23,611</u></u>
Unrestricted funds					
General funds	37	166	(31)	-	172
	<u>37</u>	<u>166</u>	<u>(31)</u>	<u>-</u>	<u>172</u>
	<u><u>37</u></u>	<u><u>166</u></u>	<u><u>(31)</u></u>	<u><u>-</u></u>	<u><u>172</u></u>
Total funds	<u>20,096</u>	<u>10,512</u>	<u>(10,468)</u>	<u>3,643</u>	<u>23,783</u>
	<u><u>20,096</u></u>	<u><u>10,512</u></u>	<u><u>(10,468)</u></u>	<u><u>3,643</u></u>	<u><u>23,783</u></u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy. Under the amended funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

UIFSM, Pupil Premium : Income received from the ESFA as described.

Other DFE/ESFA grants: This includes Teachers Pension Grants, Teachers Pay Grants, catch up funding, national tutoring, recovery premium, supplementary grant rates, PE & Sports grant, mental health and vaccination income.

Other government grants: This includes early years and SEN funding from Essex County Council and Hertfordshire County Council and pupil premium funding (LAC) from Essex County Council, Luton, Haringey and Hertfordshire local authorities.

Government loans: This is the balance of government loans to be paid out of future funding.

Other restricted funds: This is the donations and other income received for specific academy purchases.

DFE/ ESFA capital grants relate to devolved formula capital grant and CIF funding for sixth form projects to fund capital projects.

The transfer of funds represents the unfunded capital additions in the year paid out of GAG

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	2,014	7,930	(7,248)	(224)	2,472
UIFSM	-	53	(53)	-	-
Pupil premium	-	603	(603)	-	-
Other DfE/ESFA COVID-19 funding	-	129	(77)	-	52
Other DfE/ESFA grants	-	493	(493)	-	-
Other government grants	-	388	(388)	-	-
Other restricted funds	-	57	(57)	-	-
Pension reserve	(2,991)	-	(333)	(199)	(3,523)
	<u>(977)</u>	<u>9,653</u>	<u>(9,252)</u>	<u>(423)</u>	<u>(999)</u>
Restricted fixed asset funds					
DfE group capital grants	-	527	-	(527)	-
General fixed assets	20,957	-	(650)	751	21,058
	<u>20,957</u>	<u>527</u>	<u>(650)</u>	<u>224</u>	<u>21,058</u>
Total restricted funds	<u>19,980</u>	<u>10,180</u>	<u>(9,902)</u>	<u>(199)</u>	<u>20,059</u>
Unrestricted funds					
General funds	<u>37</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37</u>
Total funds	<u>20,017</u>	<u>10,180</u>	<u>(9,902)</u>	<u>(199)</u>	<u>20,096</u>

Total funds analysis by academy

	2022 £'000	2021 £'000
Fund balances at 31 August 2022 were allocated as follows:		
The Eastwood Academy	2,312	2,253
Bournemouth Park Academy	309	276
Central services	52	32
Total before fixed assets fund and pension reserve	<u>2,673</u>	<u>2,561</u>
Restricted fixed asset fund	21,436	21,058
Pension reserve	(326)	(3,523)
Total funds	<u>23,783</u>	<u>20,096</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000	Total 2021 £'000
The Eastwood Academy	4,163	607	171	1,073	6,014	5,527
Bournemouth Park Academy	2,180	479	55	820	3,534	3,472
Central services	60	94	-	90	244	253
	<u>6,403</u>	<u>1,180</u>	<u>226</u>	<u>1,983</u>	<u>9,792</u>	<u>9,252</u>

20 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	21,187	21,187
Current assets	172	3,499	249	3,920
Current liabilities	-	(818)	-	(818)
Non-current liabilities	-	(180)	-	(180)
Pension scheme liability	-	(326)	-	(326)
Total net assets	<u>172</u>	<u>2,175</u>	<u>21,436</u>	<u>23,783</u>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	21,058	21,058
Current assets	37	3,201	-	3,238
Current liabilities	-	(523)	-	(523)
Non-current liabilities	-	(154)	-	(154)
Pension scheme liability	-	(3,523)	-	(3,523)
Total net assets	<u>37</u>	<u>(999)</u>	<u>21,058</u>	<u>20,096</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Pension and similar obligations

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 that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £131k were payable to the schemes at 31 August 2022 (2021: £141k) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £854k (2021: £884k).

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

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

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

21 Pension and similar obligations

(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 contributions are as noted below. The agreed contribution rates for future years are 25% for employers and 5.5 to 12.5% for employees.

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	289	285
Employees' contributions	70	70
	<u> </u>	<u> </u>
Total contributions	359	355
	<u> </u>	<u> </u>

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.95	3.9
Rate of increase for pensions in payment/inflation	2.95	2.9
Discount rate for scheme liabilities	4.25	1.65
	<u> </u>	<u> </u>

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

	2022 Years	2021 Years
Retiring today		
- Males	21	21.6
- Females	23.5	23.6
Retiring in 20 years		
- Males	22.3	22.9
- Females	24.9	25.1
	<u> </u>	<u> </u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022	2021
Discount rate + 0.1%	-95	329
Discount rate - 0.1%	87	349
Mortality assumption + 1 year	102	353
Mortality assumption - 1 year	-109	325
CPI rate + 0.1%	90	339
CPI rate - 0.1%	-8	339
	<u> </u>	<u> </u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

21 Pension and similar obligations

(Continued)

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

	2022 Fair value £'000	2021 Fair value £'000
Equities	2,017	2,088
Bonds	159	151
Gilts	70	82
Cash	107	91
Property	340	228
Other assets	895	621
	<u>3,588</u>	<u>3,261</u>

The actual return on scheme assets was £7,000 (2021: £622,000).

Amount recognised in the statement of financial activities

	2022 £'000	2021 £'000
Current service cost	679	289
Interest income	(57)	(41)
Interest cost	113	85
	<u>735</u>	<u>333</u>

Changes in the present value of defined benefit obligations

	2022 £'000	2021 £'000
At 1 September 2021	6,784	5,895
Current service cost	679	-
Interest cost	113	85
Employee contributions	70	70
Actuarial (gain)/loss	(3,693)	782
Benefits paid	(39)	(48)
	<u>3,914</u>	<u>6,784</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

21 Pension and similar obligations (Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2022 £'000	2021 £'000
At 1 September 2021	3,261	2,332
Interest income	57	41
Actuarial loss/(gain)	(50)	581
Employer contributions	289	285
Employee contributions	70	70
Benefits paid	(39)	(48)
	<u> </u>	<u> </u>
At 31 August 2022	<u>3,588</u>	<u>3,261</u>

22 Reconciliation of net income to net cash flow from operating activities

	Notes	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)		44	278
Adjusted for:			
Capital grants from DfE and other capital income		(405)	(527)
Investment income receivable	6	(1)	(1)
Finance costs payable		1	-
Defined benefit pension costs less contributions payable	21	390	289
Defined benefit pension scheme finance cost	21	56	44
Depreciation of tangible fixed assets		676	650
(Increase) in stocks		-	(1)
(Increase) in debtors		(5)	(53)
Increase in creditors		291	34
		<u> </u>	<u> </u>
Net cash provided by operating activities		<u>1,047</u>	<u>713</u>

23 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	2,951	677	3,628
Loans falling due within one year	(20)	(4)	(24)
Loans falling due after more than one year	(154)	(26)	(180)
	<u> </u>	<u> </u>	<u> </u>
	<u>2,777</u>	<u>647</u>	<u>3,424</u>

EASTWOOD PARK ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

24 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	20	19
Amounts due in two and five years	14	36
	<u>34</u>	<u>55</u>

25 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 trust has an interest. All transactions involving such organisations are conducted in accordance with the trust's financial regulations and normal procurement procedures.

There were no related party transactions during the year to 31 August 2022 or 31 August 2021.

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.