Registered number: 07700909

THE EASTWOOD ACADEMY TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

THE EASTWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

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THE EASTWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2015

Members and Trustees	Mr D J Booth, Chair Mr L Whittick, Vice Chair Mrs K Heath
Trustees	Mr N Houchen, Principal Mrs M Gunn Mrs R Langdon Rev D Pike Mrs K Bayley Mr C P Martin (resigned 23 June 2015) Mr C Niner Mrs H J Woodall (resigned 20 July 2015)
Company registered number	07700909
Principal and registered office	The Eastwood Academy Trust Rayleigh Road Leigh on Sea Southend on Sea Essex SS9 5UU
Company secretary	Mrs K E Toms
Chief executive officer	Mr N Houchen
Senior management team	Mr N Houchen, Principal Mr C Niner, Vice Principal Mr D Piercy, Vice Principal Mr M Cartlidge, Assistant Principal Mr S Sterling, Assistant Principal Mrs N Lillywhite, Assistant Principal Mr P Barrett, Assistant Principal Mr J Tubb, Assistant Principal Mrs J Schmid, Assistant Principal Mrs Y Willis, Finance Officer
Independent auditors	Landau Baker Limited Chartered Accountants Statutory Auditors Mountcliff House 154 Brent Street London NW4 2DR
Bankers	HSBC Bank plc 1-3 Broadway London Road Southend on Sea Essex SS1 1TJ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust operates an academy for pupils aged 11 to 16 serving a catchment area in Southend-on-Sea. It had a roll of 837 in the Autumn school census on 2 October 2014.

Structure, governance and management

CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of The Eastwood Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Eastwood Academy Trust.

Details of the Trustees who served during the year are shown 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.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Trustees are appointed under Article 12 of the Academy's Articles of Association, which state:

The Members of the Academy Trust shall comprise
a. the signatories to the Memorandum;
b. 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
c. the chairman of the Governors; and
d. any person appointed under Article 16;

The Trust appoints all governors to the Board of Directors under Article 16. The governors are appointed under Article 46 of the Academy's Articles of Association which state:

Subject to Articles 48-49 and 64, the Academy Trust shall have the following Governors:

a. up to 6 Governors, appointed under Article 50;
b. up to 2 Staff Governors, if appointed under Article 51;
c. a minimum of 2 Parent Governors appointed under Articles 53-58;
d. the Principal;
e. any Additional Governors, if appointed under Article 62, 62A or 68A; and
f. any Further Governors, if appointed under Article 63 or Article 68A;

The Academy Trust may also have any Co-opted Governor appointed under Article 59.

There were no new Governors or Directors recruited in 2014/15.

The term of office for any director shall be four years. Subject to remaining eligible to be a particular type of director, any director may be reappointed or re-elected.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

During the period under review, the Trustees held 5 Full Director meetings. In addition there were regular meetings of the sub-committees covering Finance, Teaching and Learning and Pupil Focus. The training and induction provided for new Trustees will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new Trustees are given a tour of the Academy and the chance to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees and Trustees of the Academy.

ORGANISATIONAL STRUCTURE

The Eastwood Academy 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 Academy and monitor its progress towards these objectives. Trustees are responsible for setting general policies, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the direction of the Academy, 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 Principal is directly responsible for the day to day running of the Academy and is assisted by a Senior Leadership Team.

The Academy has appointed a Responsible Officer (RO) who provides oversight of the operation of financial management arrangements. The RO undertakes checks to help ensure that the financial responsibilities of the board of Trustees are properly discharged.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The composition of the board of Trustees is drawn from local public and private sector organisations. It is therefore inevitable that transactions may take place with organisations in which a member of the board of Trustees may have an interest. All such transactions would be conducted at arm's length.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Trustees have implemented a number of systems to assess risks that the Academy faces, 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. Risks are scored and prioritised in terms of their potential operational or financial impact and assessed in terms of the likelihood of occurrence. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has an effective system of internal financial controls.

TRUSTEES' INDEMNITIES

Subject to the provisions of the Companies Act 2006 s236, every Trustee or other officer of the Charitable Company shall be indemnified out of the assets of the Charitable Company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charitable Company.

Objectives and Activities

OBJECTS AND AIMS

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

OBJECTIVES, STRATEGIES AND ACTIVITIES

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

The main objectives of the Academy during the year ended 31 August 2015 are summarised below:

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

The Academy's vision is to create:

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

This is achieved through developing:

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

PUBLIC BENEFIT

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general

guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Strategic Report

Achievements and performance

GOING CONCERN

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

REVIEW OF ACTIVITIES

In 2015, the Academy recorded an impressive return. Headline figures include:

- 85% A*-C in Mathematics (+sig).
- 72% A*-C in English Language.
- 69% A*-C in English Language and Mathematics - Basics (+sig).
- 93% 2+ A*-C in Science (+sig).
- 20% achieved the EBacc.
- Capped point Score (CPS) of 331.8 (+sig).
- Best 8 Value Added of 1038.4 (+sig).
- Progress 8 of +0.58 (+sig).

A full breakdown of the results can be found on the website www.eastwood.southend.sch.uk under 'Exam Results'.

In March 2015 the Academy was inspected under Section 8 of the Education Act 2005. The outcome of this unannounced visit was that leaders and managers have taken effective action to maintain the high standards of behaviour and attitudes identified at the Academy's previous inspection which was carried out in September 2013.

Pupil attendance during the period was 95.4%.

Key financial performance indicators include the number of pupils on roll since this forms the basis of the EFA's funding. The Academy maintained its numbers during the period.

The other main financial performance indicator is staffing costs as a percentage of total income. For 2014/15 this was 65.4% (2013/14 - 66%). This demonstrates that the Academy has managed the cost of living rise and performance related increments at a time when income from the EFA is reducing.

INVESTMENT POLICY AND PERFORMANCE

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

interest bearing accounts.

Financial review

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Academy's system of internal controls ensures risk is minimal in these areas.

RESERVES POLICY

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 Directors consider that the appropriate level of free reserves held to be approximately £416,000.

The Academy is building its' reserves to facilitate the building of:

- a new Science and DT block with costs estimated to be in the region of £4m. The timescale for this project is dependent on the successful acquisition of funds from the DfE and/or sale of an Academy land asset.
- an extension to the Main Hall to accommodate additional pupils with costs estimated to be £200,000. The timescale for this project is completion of building work by the end of 2016/17 financial year.

PRINCIPAL FUNDING

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received grants for fixed assets from the EFA. 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 Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Plans for future periods

FUTURE DEVELOPMENTS

The Academy's key strategic development priorities for 2015/16 relate to building a new Science and DT block. This is dependent on the successful acquisition of funds from the DfE and/or sale of an Academy land asset. Additionally, the Academy needs to extend the Main Hall to accomodate additional pupils.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy held £274,099 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report, incorporating the Strategic Report, was approved by order of the board of Trustees, as the company directors, on 2 December 2015 and signed on the board's behalf by:

Mr D J Booth
Chair

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As accounting officer, we acknowledge we have overall responsibility for ensuring that The Eastwood 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 Principal, 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 The Eastwood Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr D J Booth (Chair)	4	5
Mr L Whittick (Vice Chair)	4	5
Mrs K Heath	4	5
Mr N Houchen (Principal and accounting officer)	5	5
Mrs M Gunn	3	5
Mrs R Langdon (Staff Director)	4	5
Rev D Pike	4	5
Mrs K Bayley	4	5
Mr C P Martin, (resigned 23 June 2015)	0	4
Mr C Niner (Staff Director)	5	5
Mrs H J Woodall (resigned 20 July 2015)	5	5

Following the resignations of Mr C Martin and Mrs H Woodall the Board are presently seeking to appoint a further parent governor fill these vacancies. Other than this, the Board are content with their number.

The key challenge for the Board this year has been the sustainment of past GCSE results in a year with unusually low numbers of Academically More Able pupils.

GOVERNANCE REVIEW

Governance within the Academy was rated as 'Good' by OFSTED in September 2013. This judgement was validated further with an unannounced Section 8 inspection in March 2015.

Further internal evaluation took place within the review of the Academy Development Plan in July 2015. Directors opted to restructure the committees and calendar. Henceforth holding six Full Directors meetings each year whilst dissolving the Teaching and Learning and Pupil Focus Committees and incorporating their business into the additional FDM's. The Finance & Resources and Audit Committees will continue as before but all Directors will now be members. The Academy plans to conduct its next evaluation of governance in July 2016.

The **Finance and Resources Committee** is a sub-committee of the main board of Trustees. Its purpose is to, through delegated authority, take decisions on behalf of the board of Trustees. Their decisions must be reported back to the whole board of Trustees. Issues dealt with in the year include the consideration and recommendation that the Full Governing Body adopt the accounts for 2014/15 and the budget for the 2015/16 academic year. The committee also opted to continue using cheque payments rather than BACS to pay

suppliers. All decisions were reported to the Board via the minutes.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Booth (Chair)	3	3
Mr L Whittick (Vice Chair)	3	3
Mr C Niner (Staff Director)	3	3
Mr N Houchen (Principal)	3	3
Mrs K Bayley	3	3
Mrs K Heath	2	3

The **Audit Committee** is also a sub-committee of the main board of Trustees. Its purpose is to, through delegated authority, provide independent checking of the Academy's financial controls, systems transactions and risks. Their findings must be reported back to the whole board of Trustees. Issues dealt with during the year include a review of the reports from the Responsible Officer and the completion of the Statement of Internal Control.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Booth (Chair)	4	4
Mr L Whittick (Vice Chair)	4	4
Mrs K Heath	3	4
Mr C Niner (Staff Director)	3	4
Mr N Houchen (Principal)	4	4
Mrs K Bayley (Responsible Officer)	4	4

Mr N Houchen (Principal) and Mrs K Bayley (Responsible Officer) are non-voting members of the Audit Committee.

REVIEW OF VALUE FOR MONEY

As accounting officer, the Principal 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Implementing the planned changes to the Academy's timetable model which has resulted in a lower number of FTE teachers, improving the efficiency of staff deployment. A direct consequence of this has been a reduction in the proportion of the budget allocated to teaching staff;
- The results of the 2014/15 cohort are acutely impressive given that a higher proportion of the cohort were in the low and below quintiles (55%) and did not contain any AMA pupils.
- Successfully completing, on time, the under floor heating pipe works which were funded through an ACMF grant and a Salix loan. Following completion the Academy has seen a sharp reduction in its water usage.
- Better structured in-house CPD training for all staff.

Areas where the Academy could do better:

- better promotion of the Academy's facilities for use by the wider community outside of teaching hours. This would improve revenue streams.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 The Eastwood Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of Trustees has reviewed the key risks to which the Academy 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's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed:

- Mrs K Bayley, a Trustee, as Responsible Officer (RO)
- Landau Baker Limited, the external auditors, to perform additional checks.

The appointees' role includes giving advice on financial matters and performing a range of checks on the Academy's financial 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

GOVERNANCE STATEMENT (continued)

- review of controls for VAT, bank accounts, credit cards, payroll, debtors and creditors

On a termly basis, the appointees report to the board of Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The RO function has been fully delivered in line with the EFA's requirements as noted in the Academies Financial Handbook (September 2014). The RO has not identified any material issues.

REVIEW OF EFFECTIVENESS

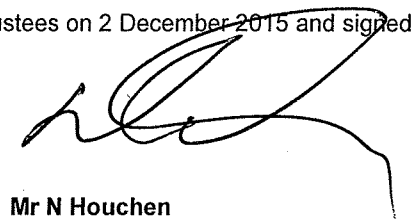
As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer ;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee. A plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 2 December 2015 and signed on its behalf, by:

Mr D J Booth
Chair



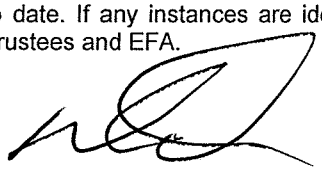
Mr N Houchen
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Eastwood Academy Trust I have considered my responsibility to notify the Academy board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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 EFA.



Mr N Houchen
Accounting Officer

Date: 2 December 2015

TRUSTEES' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who act as governors of The Eastwood Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of Trustees on 2 December 2015 and signed on its behalf by:

Mr D J Booth
Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EASTWOOD ACADEMY TRUST

We have audited the financial statements of The Eastwood Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 (SORP 2005) issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EASTWOOD ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

MDurst for Landau Baker Limited

Michael Durst (Senior Statutory Auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
2 December 2015

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE EASTWOOD ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 October 2011 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Eastwood Academy Trust during the year 1 September 2014 to 31 August 2015 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 The Eastwood Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Eastwood Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Eastwood Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE EASTWOOD ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Eastwood Academy Trust's funding agreement with the Secretary of State for Education dated 17 August 2011, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions

by staff or related parties.
- adherence to tendering policies.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

2 December 2015

THE EASTWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	**2,069**	**7,008**	-	**9,077**	*35,884*
Activities for generating funds	3,4	**111,486**	**65,226**	-	**176,712**	*211,979*
Investment income	5	-	**6,556**	-	**6,556**	*8,570*
Incoming resources from charitable activities	6	-	**4,729,129**	**215,957**	**4,945,086**	*4,895,762*
TOTAL INCOMING RESOURCES		**113,555**	**4,807,919**	**215,957**	**5,137,431**	*5,152,195*
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	7	**112,552**	**9,434**	-	**121,986**	*139,757*
Fundraising expenses and other costs	4	-	**33,864**	-	**33,864**	*37,852*
Charitable activities		-	**4,393,390**	**859,519**	**5,252,909**	*5,262,595*
Governance costs	8	-	**30,207**	-	**30,207**	*33,467*
Other resources expended	9	**883**	-	-	**883**	*3,894*
TOTAL RESOURCES EXPENDED	12	**113,435**	**4,466,895**	**859,519**	**5,439,849**	*5,477,565*
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		**120**	**341,024**	**(643,562)**	**(302,418)**	*(325,370)*

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	*Total funds 2014* £
Transfers between Funds	24	-	**(196,357)**	**196,357**	-	-
NET EXPENDITURE FOR THE YEAR		**120**	**144,667**	**(447,205)**	**(302,418)**	*(325,370)*
Actuarial gains and losses on defined benefit pension schemes		-	**21,000**	-	**21,000**	*(11,000)*
NET MOVEMENT IN FUNDS FOR THE YEAR		**120**	**165,667**	**(447,205)**	**(281,418)**	*(336,370)*
Total funds at 1 September 2014		*13,280*	*492,568*	*14,473,359*	*14,979,207*	*15,315,577*
TOTAL FUNDS AT 31 AUGUST 2015		**13,400**	**658,235**	**14,026,154**	**14,697,789**	*14,979,207*

All of the Academy Trust's activities derive from continuing operations during the above two financial periods.

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

The notes on pages 23 to 43 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	19		**14,026,154**		*14,473,359*
CURRENT ASSETS					
Stocks	20	**4,815**		*5,535*	
Debtors	21	**52,315**		*228,376*	
Cash at bank and in hand		**1,579,446**		*1,286,886*	
		1,636,576		*1,520,797*	
CREDITORS: amounts falling due within one year	22	**(289,494)**		*(409,949)*	
NET CURRENT ASSETS			**1,347,082**		*1,110,848*
TOTAL ASSETS LESS CURRENT LIABILITIES			**15,373,236**		*15,584,207*
CREDITORS: amounts falling due after more than one year	23		**(50,447)**		-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			**15,322,789**		*15,584,207*
Defined benefit pension scheme liability	31		**(625,000)**		*(605,000)*
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			**14,697,789**		*14,979,207*
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	24	**1,283,235**		*1,097,568*	
Restricted fixed asset funds	24	**14,026,154**		*14,473,359*	
Restricted funds excluding pension liability		**15,309,389**		*15,570,927*	
Pension reserve		**(625,000)**		*(605,000)*	
Total restricted funds			**14,684,389**		*14,965,927*
Unrestricted funds	24		**13,400**		*13,280*
TOTAL FUNDS			**14,697,789**		*14,979,207*

BALANCE SHEET (continued)
AS AT 31 AUGUST 2015

The financial statements on pages 18 to 43 were approved by the Trustees, and authorised for issue, on 2 December 2015 and are signed on their behalf, by:

Mr D J Booth
Chair

Mr N Houchen
Principal

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	26	**431,913**	*252,447*
Returns on investments and servicing of finance	27	**6,556**	*8,570*
Capital expenditure and financial investment	27	**(196,356)**	*(275,537)*
Loan repayment		**(6,362)**	-
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		**235,751**	*(14,520)*
Financing	27	**56,809**	-
INCREASE/(DECREASE) IN CASH IN THE YEAR		**292,560**	*(14,520)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase/(Decrease) in cash in the year	**292,560**	*(14,520)*
Cash outflow from decrease in debt and lease financing	**(56,809)**	-
MOVEMENT IN NET FUNDS IN THE YEAR	**235,751**	*(14,520)*
Net funds at 1 September 2014	**1,286,886**	*1,301,406*
NET FUNDS AT 31 AUGUST 2015	**1,522,637**	*1,286,886*

The notes on pages 23 to 43 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Fund accounting

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

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the Academy being notified of an impending distribution or the legacy being received.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

1. ACCOUNTING POLICIES (continued)

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

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

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

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

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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 in the Statement of Financial Activities.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Freehold property	-	25 to 80 years
Motor vehicles	-	5 years
Fixtures and fittings	-	5 years
Computer equipment	-	3 years

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Taxation

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

1. ACCOUNTING POLICIES (continued)

1.10 Pension 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 so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 31, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Donations	**2,069**	**7,008**	**9,077**	*15,206*
School fund transferred to academy	**-**	**-**	**-**	*20,678*
Voluntary income	**2,069**	**7,008**	**9,077**	*35,884*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Lettings income	-	65,226	65,226	*73,806*
Educational visits income	111,486	-	111,486	*138,173*
	111,486	65,226	176,712	*211,979*

4. TRADING ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Fundraising trading expenses				
Direct costs - Fundraising	-	33,864	33,864	*37,852*
Net expenditure from trading activities	-	(33,864)	(33,864)	*(37,852)*

5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Investment income	-	6,556	6,556	*8,570*

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Educational activities	-	4,886,251	4,886,251	*4,823,943*
Other educational operations	-	58,835	58,835	*71,819*
	-	4,945,086	4,945,086	*4,895,762*

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
DfE/EFA revenue grants				
School budget share	-	**4,297,307**	**4,297,307**	*4,129,102*
ESG	-	**117,040**	**117,040**	*167,049*
Other EFA grants	-	**216,154**	**216,154**	*216,498*
Other LA grants	-	**39,793**	**39,793**	*62,182*
Capital grants	-	**215,957**	**215,957**	*249,112*
	-	**4,886,251**	**4,886,251**	*4,823,943*

7. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Educational visit costs	**112,552**	**9,434**	**121,986**	*139,757*

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Auditors' remuneration	-	**4,000**	**4,000**	*4,000*
Auditors' non audit costs	-	**3,450**	**3,450**	*5,400*
Legal and professional fees	-	**5,694**	**5,694**	*5,269*
Governors' expenses	-	**101**	**101**	*1,197*
Payroll charges	-	**4,062**	**4,062**	*4,414*
Governor training	-	-	-	*925*
Governance expense - wages and salaries	-	**11,227**	**11,227**	*10,599*
Governance expense - NI	-	**263**	**263**	*314*
Governance expense - pension costs	-	**1,410**	**1,410**	*1,349*
	-	**30,207**	**30,207**	*33,467*

9. OTHER RESOURCES EXPENDED

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Charity donations paid out	**883**	**-**	**883**	*3,894*

10. DIRECT COSTS

	Fundraising expenses £	Educational operations £	Total 2015 £	*Total 2014 £*
Supply teaching costs	**-**	**1,195**	**1,195**	*1,360*
Utilities and site management	**32,243**	**-**	**32,243**	*32,621*
Insurance	**-**	**6,997**	**6,997**	*9,790*
Catering provision	**-**	**47,162**	**47,162**	*54,275*
Exam fees	**-**	**54,926**	**54,926**	*49,320*
Broadband and telephone costs	**-**	**21,870**	**21,870**	*19,457*
Staff training & development	**-**	**10,720**	**10,720**	*21,673*
Licences	**-**	**19,496**	**19,496**	*23,659*
Other educational costs	**-**	**228,129**	**228,129**	*240,306*
Transport costs	**-**	**6,160**	**6,160**	*6,446*
Other direct costs	**1,621**	**8,862**	**10,483**	*15,487*
Wages and salaries	**-**	**2,507,482**	**2,507,482**	*2,540,024*
National insurance	**-**	**173,097**	**173,097**	*170,798*
Pension cost	**-**	**326,680**	**326,680**	*321,504*
Depreciation	**-**	**17,364**	**17,364**	*16,938*
	33,864	**3,430,140**	**3,464,004**	*3,523,658*

11. SUPPORT COSTS

	Educational operations £	Total 2015 £	*Total 2014 £*
Pension income	**20,000**	**20,000**	*25,000*
Utilities	**129,300**	**129,300**	*160,523*
Site management	**257,246**	**257,246**	*216,221*
Insurance	**34,109**	**34,109**	*38,122*
Catering provision	**743**	**743**	*1,672*
Repairs & maintenance	**191,346**	**191,346**	*155,820*
Other support costs	**8,583**	**8,583**	*14,624*
Wages and salaries	**245,931**	**245,931**	*266,271*
National insurance	**15,885**	**15,885**	*19,683*
Pension cost	**77,471**	**77,471**	*60,474*
Depreciation	**842,155**	**842,155**	*818,379*
	1,822,769	**1,822,769**	*1,776,789*

12. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	*Total*
		Depreciation	Other costs		
	2015 £	2015 £	2015 £	2015 £	*2014 £*
Costs of generating voluntary income	-	-	**121,986**	**121,986**	*139,757*
Fundraising expenses	-	-	**33,864**	**33,864**	*37,852*
Costs of generating funds	-	-	**155,850**	**155,850**	*177,609*
Educational operations	**3,008,455**	**17,364**	**404,321**	**3,430,140**	*3,485,806*
Support costs - Educational operations	**339,287**	**842,155**	**641,327**	**1,822,769**	*1,776,789*
Charitable activities	**3,347,742**	**859,519**	**1,045,648**	**5,252,909**	*5,262,595*
Governance	**12,900**	-	**17,307**	**30,207**	*33,467*
Other resources expended	-	-	**883**	**883**	*3,894*
	3,360,642	**859,519**	**1,219,688**	**5,439,849**	*5,477,565*

13. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £	*Total 2014 £*
Educational operations	**3,430,140**	**1,822,769**	**5,252,909**	*5,262,595*

14. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	*2014 £*
Depreciation of tangible fixed assets:		
- owned by the charity	**859,519**	*835,317*
Auditors' remuneration	**4,000**	*4,000*
Auditors' remuneration - non-audit	**3,450**	*5,400*
Operating lease rentals:		
- other operating leases	**11,191**	*6,592*

15. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	*2014 £*
Wages and salaries	**2,764,640**	*2,816,894*
Social security costs	**189,245**	*190,794*
Other pension costs (Note 31)	**405,562**	*383,327*
	3,359,447	*3,391,015*
Supply teacher costs	**1,195**	*1,360*
	3,360,642	*3,392,375*

15. STAFF (continued)

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No.	*2014 No.*
Teachers	**47**	*52*
Administration and support	**22**	*24*
Management	**9**	*9*
	78	*85*

c. Higher paid staff

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

	2015 No.	*2014 No.*
In the band £60,001 - £70,000	**4**	*3*
In the band £80,001 - £90,000	**1**	*1*

All the above employees participated in the Teachers' Pension Scheme. Employer contributions paid by the Academy for these employees amounted to £48,421 in the period (2014: £38,426).

16. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 Trustees *(2014 - 3)* in respect of defined benefit pension schemes.

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

	2015	*2014*
	£'000	*£'000*
Mr N Houchen - remuneration	**85-90**	*85-90*
Mr N Houchen - pension	**10-15**	*10-15*
Mr C Niner - remuneration	**65-70**	*60-65*
Mr C Niner - pension	**5-10**	*5-10*
Mrs R Langdon - remuneration	**45-50**	*40-45*
Mrs R Langdon - pension	**5-10**	*5-10*
Mr L Rodriguez-Angel - remuneration		*0-5*
Mr L Rodriguez-Angel - pension		*0-5*

During the year ended 31 August 2015, expenses totalling £1,141 (2014 - £1,197) were reimbursed to 4 Trustees (2014 - 7).

17. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,855 *(2014 - £935)*. The cost of this insurance is included in the total insurance cost.

18. OTHER FINANCE INCOME

	2015	*2014*
	£	*£*
Expected return on pension scheme assets	**15,000**	*10,000*
Interest on pension scheme liabilities	**(35,000)**	*(35,000)*
	(20,000)	*(25,000)*

19. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	**16,243,494**	**5,490**	**569,719**	**105,026**	**16,923,729**
Additions	**301,097**	**-**	**99,811**	**11,406**	**412,314**
At 31 August 2015	**16,544,591**	**5,490**	**669,530**	**116,432**	**17,336,043**
Depreciation					
At 1 September 2014	**2,176,212**	**5,490**	**196,807**	**71,861**	**2,450,370**
Charge for the year	**724,111**	**-**	**116,785**	**18,623**	**859,519**
At 31 August 2015	**2,900,323**	**5,490**	**313,592**	**90,484**	**3,309,889**
Net book value					
At 31 August 2015	**13,644,268**	**-**	**355,938**	**25,948**	**14,026,154**
At 31 August 2014	*14,067,282*	*-*	*372,912*	*33,165*	*14,473,359*

Included in freehold property is land at valuation of £4,903,000 (*2014* - £4,903,000), which is not depreciated. The property valuation was carried out on 17 August 2011 on conversion to academy status.

20. STOCKS

	2015 £	*2014 £*
Uniforms	**4,815**	*5,535*

21. DEBTORS

	2015 £	*2014 £*
Trade debtors	**756**	*1,180*
Other debtors	**15,752**	*80,329*
Prepayments and accrued income	**35,807**	*70,222*
Grants Receivable	**-**	*76,645*
	52,315	*228,376*

22. CREDITORS:
Amounts falling due within one year

	2015 £	*2014 £*
Salix Finance Limited loan repayable within 1 year	**6,362**	-
Trade creditors	**7,162**	*215,147*
Other taxation and social security	**118,563**	*118,453*
Accruals and deferred income	**157,407**	*76,349*
	289,494	*409,949*

Deferred income	£
Deferred income at 1 September 2014	**54,336**
Resources deferred during the year	**60,420**
Amounts released from previous years	**(54,336)**
Deferred income at 31 August 2015	**60,420**

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

23. CREDITORS:
Amounts falling due after more than one year

	2015 £	*2014 £*
Other loans	**50,447**	-

Included within the above are amounts falling due as follows:

	2015 £	*2014 £*
Between two and five years		
Other loans	**50,447**	-

The loan has been granted by Salix Finance Limited and is unsecured and interest free.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	**13,280**	**113,555**	**(113,435)**	**-**	**-**	**13,400**
Restricted funds						
Restricted Funds - all funds	**1,097,568**	**4,807,919**	**(4,425,895)**	**(196,357)**	**-**	**1,283,235**
Pension reserve	**(605,000)**	**-**	**(41,000)**	**-**	**21,000**	**(625,000)**
	492,568	**4,807,919**	**(4,466,895)**	**(196,357)**	**21,000**	**658,235**
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	**14,473,359**	**215,957**	**(859,519)**	**196,357**	**-**	**14,026,154**
Total restricted funds	**14,965,927**	**5,023,876**	**(5,326,414)**	**-**	**21,000**	**14,684,389**
Total of funds	**14,979,207**	**5,137,431**	**(5,439,849)**	**-**	**21,000**	**14,697,789**

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

All funds originated from assets gifted by the predecessor school. In addition:
Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.
Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the Academy.
The restricted funds can only be used in terms of limitations imposed the the Funding Agreement with the DfE and the terms of any specific grant.
Unrestricted funds consist of the school fund balance transferred into the Academy on 1 April 2013 and income and expenditure in the school fund from that date until the year end.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	13,280	113,555	(113,435)	-	-	13,400
Restricted funds	492,568	4,807,919	(4,466,895)	(196,357)	21,000	658,235
Restricted fixed asset funds	14,473,359	215,957	(859,519)	196,357	-	14,026,154
	14,979,207	5,137,431	(5,439,849)	-	21,000	14,697,789

25. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	*Total funds 2014 £*
Tangible fixed assets	-	-	14,026,154	14,026,154	*14,473,359*
Current assets	13,400	1,623,175	-	1,636,575	*1,520,798*
Creditors due within one year	-	(289,493)	-	(289,493)	*(409,950)*
Creditors due in more than one year	-	(50,447)	-	(50,447)	-
Provisions for liabilities and charges	-	(625,000)	-	(625,000)	*(605,000)*
	13,400	658,235	14,026,154	14,697,789	*14,979,207*

26. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	*2014 £*
Net incoming resources before revaluations	(302,418)	*(325,370)*
Returns on investments and servicing of finance	(6,556)	*(8,570)*
Depreciation of tangible fixed assets	859,519	*835,317*
Capital grants from DfE	(215,958)	*(249,112)*
Decrease in stocks	720	*1,739*
Decrease/(increase) in debtors	176,061	*(6,142)*
Decrease in creditors	(120,455)	*(30,415)*
FRS 17 adjustments	41,000	*35,000*
Net cash inflow from operations	431,913	*252,447*

27. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	**6,556**	*8,570*

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	**(412,314)**	*(524,649)*
Capital grants from DfE	**215,958**	*249,112*
Net cash outflow capital expenditure	**(196,356)**	*(275,537)*

	2015 £	2014 £
Financing		
Salix loan	**63,621**	-
Repayment of Salix loan	**(6,812)**	-
Net cash inflow from financing	**56,809**	-

28. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	**1,286,886**	**292,560**	-	**1,579,446**
Debt:				
Loans	-	-	-	-
Debts due within one year	-	-	**(6,362)**	**(6,362)**
Debts falling due after more than one year	-	-	**(50,447)**	**(50,447)**
Net funds	**1,286,886**	**292,560**	**(56,809)**	**1,522,637**

29. MEMBERS LIABILITY

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

30. CAPITAL COMMITMENTS

At 31 August 2015 the Academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	-	230,000

31. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £50,242 were payable to the scheme at 31 August 2015 (2014 - £51,332) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million

31. PENSION COMMITMENTS (continued)

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £534,280 (2014: £514,911).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £90,000, of which employer's contributions totalled £69,000 and employees' contributions totalled £21,000. The agreed contribution rates for future years are 12.5% for employers and between 5.5% and 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.

The Academy has contributed an additional amount of £26,739 (2014: £25,588) during the year to reduce the accumulated deficit on the LGPS and has a commitment to make a further additional contribution of £27,942 in 2015/16.

The amounts recognised in the Balance Sheet are as follows:

	2015	*2014*
	£	*£*
Present value of funded obligations	**(954,000)**	*(836,000)*
Fair value of scheme assets	**329,000**	*231,000*
Net liability	**(625,000)**	*(605,000)*

31. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Interest on obligation	**(35,000)**	*(35,000)*
Expected return on scheme assets	**15,000**	*10,000*
Current service cost	**(90,000)**	*(75,000)*
Total	**(110,000)**	*(100,000)*
Actual return on scheme assets	**13,000**	*21,000*

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

	2015 £	2014 £
Opening defined benefit obligation	**836,000**	*701,000*
Interest cost	**35,000**	*35,000*
Contributions by scheme participants	**21,000**	*19,000*
Actuarial (Gains)/losses	**(23,000)**	*13,000*
Current service cost	**90,000**	*75,000*
Estimated benefits paid	**(5,000)**	*(7,000)*
Closing defined benefit obligation	**954,000**	*836,000*

Movements in the fair value of the Trust's share of scheme assets:

	2015 £	2014 £
Opening fair value of scheme assets	**231,000**	*142,000*
Expected return on assets	**15,000**	*10,000*
Actuarial gains and (losses)	**(2,000)**	*2,000*
Contributions by employer	**69,000**	*65,000*
Contributions by employees	**21,000**	*19,000*
Benefits paid	**(5,000)**	*(7,000)*
	329,000	*231,000*

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £110,000 *(2014 - £131,000).*

The Trust expects to contribute £71,000 to its Defined Benefit Pension Scheme in 2016.

31. PENSION COMMITMENTS (continued)

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

	2015	2014
Equities	**65.00 %**	*64.00 %*
Gilts	**4.00 %**	*6.00 %*
Other bonds	**10.00 %**	*11.00 %*
Property	**12.00 %**	*12.00 %*
Cash	**2.00 %**	*3.00 %*
Alternative assets	**7.00 %**	*4.00 %*

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

	2015	2014
Discount rate for scheme liabilities	**4.00 %**	*3.90 %*
Expected return on scheme assets at 31 August	**5.30 %**	*5.30 %*
Rate of increase in salaries	**4.50 %**	*4.50 %*
Rate of increase for pensions in payment / inflation	**2.70 %**	*2.70 %*
Inflation assumption (CPI)	**2.70 %**	*2.70 %*

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

	2015	2014
Retiring today		
Males	**22.8**	*22.7*
Females	**25.2**	*25.1*
Retiring in 20 years		
Males	**25.1**	*24.9*
Females	**27.6**	*27.4*

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	**(954,000)**	*(836,000)*	*(701,000)*	*(587,000)*
Scheme assets	**329,000**	*231,000*	*142,000*	*74,000*
Deficit	**(625,000)**	*(605,000)*	*(559,000)*	*(513,000)*
Experience adjustments on scheme liabilities	**23,000**	*(13,000)*	*(30,000)*	*(87,000)*
Experience adjustments on scheme assets	**(2,000)**	*2,000*	-	-

32. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015	*2014*	**2015**	*2014*
	£	£	**£**	£
Expiry date:				
Within 1 year	-	-	-	*6,192*
Between 2 and 5 years	-	-	**11,192**	*11,186*

33. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Mr C Niner, a Trustee and teacher at the academy, has declared the interest of his wife as an employee of the academy from 1 September 2014. During the period her remuneration from the academy amounted to £46,603 (2014: £nil). Employer pension contributions amounted to £6,588 (2014: £nil) in respect of Mrs Niner.

The above transaction was entered into at arm's length and the requirements of the EFA's Academies Financial Handbook have been complied with.