

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members and Trustees

Lynda Walker, Chair
Phil Bridgen
Tina Carter
Ian Smith
Jacqui Clements

Trustees

Julie Hunt
Mary Roper
Derek Few
John Staines
Kyla Tosh
Andy Hodgkinson, Head Teacher
Chris Hogg, Staff Trustee
Wendy Williamson, Staff Trustee
Sue Shirley, Staff Trustee
Jackie Chawner
Mike Culley
Kay Burke
Lorraine Needham (appointed 24 January 2014)

Company registered number

08401607

Principal and registered office

Sir Walter Raleigh Drive
Rayleigh
Essex
SS6 9BZ

Senior management team

Andy Hodgkinson, Head Teacher
Katherine Dines, Deputy Head Teacher
Sally Pemberton, Deputy Head Teacher
Sue Donovan, Assistant Head Teacher
Ed Hawkins, Assistant Head Teacher
Andrew Jenkins, Assistant Head Teacher
June Morgan, Assistant Head Teacher

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Administrative details (continued)

Bankers

Lloyds Bank
78 High Street
Rayleigh
Essex
SS6 7EB

Solicitors

Michaelmores LLP
48 Chancery Lane
London
WC2A 1JF

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended 31 August 2014. The annual report serves the purposes of both a trustees' report under Charity Law, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Rayleigh. It has a pupil capacity of 1,520 and had a roll of 1,375 in the school census on 7 November 2014.

Until 31 August 2014, the trust operated an academy for pupils aged 11 to 16 serving a catchment area in Rayleigh. It had a pupil capacity of 1,240 and had a roll of 1,240 in the school census on 21 May 2014.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The trustees The Sweyne Park School are also the directors / Governors of the charitable company for the purposes of company law. The Charitable Company is known as The Sweyne Park School.

Details of the trustees who served throughout the year except as noted 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

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,078.52.

Method of Recruitment and Appointment or Election of Trustees

Appointment of Governors:

The Members may appoint up to 6 Governors.

The Members may appoint Staff Governors through such process as they may determine.

The total number of Governors (including the Principal) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

Subject to the Articles, the Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that they are entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Co-opted Governors:

The Governors may appoint Co-opted Governors. A "Co-opted Governor" means a person who is appointed to be a Governor by being Co-opted by Governors who have themselves been so appointed. The Governors may not co-opt an employee of the Academy as a Co-opted Governor if thereby the number of Governors who are employees of the Academy would exceed one third of the total number of Governors (including the Head Teacher).

Policies and Procedures Adopted for the Induction and Training of Trustees

All new governors participate in an induction programme. In addition, all governors are issued with a copy of the termly Head Teacher's report to governors (giving a wide range of information and guidance relating to the governance of the Academy Trust). The school subscribes to Essex County Council Governor Services which provides induction, training and updates for governors and clerks.

With regard to the appointment of other Governors, the Board will give consideration to the skills mix of the Governors in order to ensure that the Board of Governors has the necessary skills to contribute fully to the Academy's development.

Organisational Structure

The Board of Governors normally meets once each academic term. The Board establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other panels. It receives reports, and in particular policy documents, from its committees for ratification. It monitors the activities of the Committees through the Minutes of their meetings and provides both challenge and support to the Head Teacher. It also establishes the Terms of Reference and Procedures for its Committees. The board of Governors may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Governors: to determine any proposals for the alteration, closure or change of category of the Academy; to amend the constitution of the Governing Body; to appoint or remove the Chairman and/or Vice Chairman; to appoint the Secretary to the Governors; to suspend governors; to determine the ethos of the school; to delegate specific responsibilities of any Governor, Committee, the Head Teacher or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all Committees; prospectus; to decide school session times and dates of school terms and holidays; to make arrangement for staff dismissal appeals; to set up panels for the selection of the Head Teacher, to develop, monitor and review the Academy Trust's Freedom of Information Act 2000 Publication Scheme; to approve the annual Development Plan and to monitor the annual Register of Interests.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Connected Organisations, including Related Party Relationships

The Sweyne Park School is a member of, or subscribes to, wider networks of school that include, close links with the Specialist Schools and Academies Trust, Leading Edge, The Rayleigh Teaching School Alliance, The Benfleet Teaching School Alliance, Rochford District Schools Partnership Trust (LDG) and Castle Point & Rochford Heads' Association.

Objectives and Activities

Objects and Aims

The Academy object is specifically restricted to the advancement, for the public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum to ensure the highest possible educational standards.

The principal aim of the Academy Trust aims is to provide high quality learning that helps all students to fulfil their intellectual potential and become good citizens and emotionally well-balanced young people.

Objectives, Strategies and Activities

Key influences on the Academy Development Plan for the period under review were the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to academy status and plans to open a Sixth Form in 2014. This is in addition to the Achievement, Teaching and Learning, Leadership, Spiritual, Moral, Social and Cultural, and Behaviour and Safety priorities as identified via the school's Self-Evaluation Form.

Key activities and targets are set out in our school development plan, which is available on request, and the key priorities are set out on our website.

Public Benefit

The charitable company's aims are set out in this report. The trustees have complied with their duty under section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the trustees have paid due regard to this guidance in deciding what activities the charitable company should undertake.

The Governors have given consideration to the Charity commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Academy Trust provides education to children and young people that is:

- 1) balanced and broadly based;
- 2) promotes the spiritual, moral, cultural, mental and physical development of students at the school and society;
- 3) prepares students at the school for the opportunities, responsibilities and experiences of later life;
- 4) promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise

The Academy Trust is a Comprehensive school for Rayleigh and its surroundings. It is subject to the current statutory arrangements as laid down in the national Admissions Code. Current arrangements for entry to the school are available in the section of the school website dealing with admission arrangements.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

STRATEGIC REPORT

Achievements and Performance

Key Achievements of the Academy Trust (2013/14)

- * Granted permission to open a Sixth Form on the school site from September 2014.
- * Achieved the following accreditations:
 - Artsmark Gold Award
 - Leading Parent Partnership Award
 - Investors in People Gold Award
- * GCSE results for 2014 indicate the school's existing high standards continued to be maintained after the academy Conversion process:
 - % 5 A*-C inc En/Ma = 68%
 - % E-Bacc = 32%
 - % 5 A*-G = 99.6%
- * Attendance rates were the highest ever = 95.39%
- * NET rate is the school's lowest ever = 1.2%

Key Performance Indicators

We have submitted a best value statement and completed a budget forecast consolidation exercise. Staff turnover remains well below 10% and staff attendance was over 98% in 2013/14. Pupil recruitment remains high.

Going Concern

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

Financial Review

Reserves Policy

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 22. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors, and represent less than one month's worth of Academy expenditure. The ambition of the Governors is to increase this reserve to meet future working capital requirements.

Investment Policy

The Academy would invest reserves only within a low risk environment of a commercial high street bank. Investments would be done within year to mature before the end of the financial year. As the Academy evolves, a more detailed policy on investment will be developed.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Principal Risks and Uncertainties

The principal risks facing the Academy are set out in the Academy's Risk Management policy and Risk Register which is reviewed annually by the Governors' Finance Committee.

Governors have identified the following principal risks and uncertainties facing Sweyne Park School:

Financial Risk

Sweyne Park School is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets.

Governors have also given due consideration to the risk associated with financial mismanagement and / or compliance failures.

Failures in Governance and / or Management

Governors continue to review and ensure that appropriate measures are in place to mitigate these tasks.

Reputational Risk

The continuing success of Sweyne Park School depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Governors are clearly focused on monitoring and reviewing the achievement and success of students.

Governors continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc., with policies reviewed regularly.

Safeguarding and Child Protection Risks

Governors continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in school and in training and support, in order to protect the vulnerable young people in its care. The Chair of the Governors' Personnel Committee also independently scrutinises our Single Central Record.

Significant Changes in Staff

Governors have put in place a clear succession planning policy, and continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff.

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Plans for Future Periods

Any investment undertaken by The Sweyne Park School will be within a low risk environment. Any investment must not compromise any cash flow or short term financial demands. Any investments will be reported to the Finance Committee of the Governing body prior to being undertaken.

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.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11 December 2014 and signed on the board's behalf by:



Lynda Walker
Chair of Trustees

THE SWEYNE PARK SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Sweyne Park School 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 Head Teacher, 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 Sweyne Park School 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 3 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
Lynda Walker, Chair	3	3
Phil Bridgen	2	3
Tina Carter	2	3
Ian Smith	3	3
Jacqui Clements	3	3
Julie Hunt	3	3
Mary Roper	3	3
Derek Few	3	3
John Staines	2	3
Kyla Tosh	3	3
Andy Hodgkinson, Head Teacher and Accounting Officer	3	3
Chris Hogg, Staff Trustee	3	3
Wendy Williamson, Staff Trustee	3	3
Sue Shirley, Staff Trustee	3	3
Jackie Chawner	2	2
Mike Culley	3	3
Kay Burke	0	3
Lorraine Needham	3	3

The Governing Body development session facilitated by Essex County Council Governors Services was held in January 2014 followed by trustee's skills audit in February 2014. This showed no areas of significant weakness in the skills and experience of the existing trustees. A development plan for the governing body was drawn up and approved in July 2014 and is reviewed termly. The committee structure has also been reviewed.

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to: The Finance Committee, which meets six times a year to monitor, evaluate and review school policy and practice in relation to financial planning and monitoring; to decide how to spend the General Annual Grant and other funds under the control of governors for the purposes of the Academy Trust; to monitor and ensure compliance with DfE, EFA, Charity Commission and other relevant bodies and all relevant legal requirements in relation to the proper financial management of Academy Trust; to agree limits of financial delegation; to ensure that full accounts are kept; to arrange appropriate insurance cover; to receive the termly report of the Responsible Officer, to report the Academy Trust's financial position to the Governing Body at least once a term.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Lynda Walker	5	6
Phil Bridgen	5	6
Tina Carter	5	6
Derek Few	4	6
Mary Roper	4	6
Ian Smith, Chair	6	6
John Staines	1	6
Andy Hogkinson, Head Teacher and Accounting Officer	6	6
Chris Hogg , Staff Trustee	6	6

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 Sweyne Park School for the year 1 September 2013 to 31 August 2014 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 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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GOVERNANCE STATEMENT (continued)

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 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 MHA MacIntyre Hudson, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Teacher 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 external auditor;
- the financial management and governance self-assessment process;
- 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 Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 11 December 2014 and signed on its behalf, by:



Lynda Walker
Chair of Trustees



Andy Hodgkinson
Accounting Officer

THE SWEYNE PARK SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Sweyne Park School 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 (2013).

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 (2013).

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.



Andy Hodgkinson
Accounting Officer

Date: 11 December 2014

THE SWEYNE PARK SCHOOL
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who act as governors of The Sweyne Park School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic 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 11 December 2014 and signed on its behalf by:



Lynda Walker
Chair of Trustees

THE SWEYNE PARK SCHOOL
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SWEYNE PARK SCHOOL

We have audited the financial statements of The Sweyne Park School for the year ended 31 August 2014 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 2013 to 2014 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 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 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 AUDITOR

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 2014 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 2013 to 2014 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.

THE SWEYNE PARK SCHOOL
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SWEYNE PARK SCHOOL

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



James Gare ACA DChA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE
11 December 2014

THE SWEYNE PARK SCHOOL
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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE SWEYNE PARK SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 27 November 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Sweyne Park School during the year 1 September 2013 to 31 August 2014 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 Sweyne Park School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Sweyne Park School 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 Sweyne Park School and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE SWEYNE PARK SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Sweyne Park School's funding agreement with the Secretary of State for Education dated 27 March 2013, and the Academies Financial Handbook extant from 1 September 2013 (updated October 2013), 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 2013 to 2014. 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 2013 to 31 August 2014 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 2013 to 2014 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:

- Reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- Testing of a sample of payroll payments to staff;
- Testing of a sample of payments to suppliers and other third parties;

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE SWEYNE PARK SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)

- Testing of a sample of grants received and other income streams; and
- Evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

James Gare ACA DChA (Senior Statutory Auditor)

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

11 December 2014

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds period to 31 August 2013
	Note	2014 £	2014 £	2014 £	2014 £	£
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	16,592	89,667	30,820	137,079	8,918,684
Activities for generating funds	3	102,063	-	-	102,063	38,342
Investment income	4	1,781	-	-	1,781	225
Incoming resources from charitable activities	5	-	6,968,301	25,111	6,993,412	2,873,207
Other incoming resources	6	51,123	236,904	-	288,027	86,018
TOTAL INCOMING RESOURCES		171,559	7,294,872	55,931	7,522,362	11,916,476
RESOURCES EXPENDED						
Charitable activities	8	-	7,657,397	160,255	7,817,652	3,030,856
Governance costs	9	-	18,758	-	18,758	10,000
TOTAL RESOURCES EXPENDED	7	-	7,676,155	160,255	7,836,410	3,040,856
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, CARRIED FORWARD		171,559	(381,283)	(104,324)	(314,048)	8,875,620

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds period to 31 August 2013
	Note	2014 £	2014 £	2014 £	2014 £	£
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, BROUGHT FORWARD		171,559	(381,283)	(104,324)	(314,048)	8,875,620
Transfers between Funds	17	(33,611)	33,611	-	-	-
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS		137,948	(347,672)	(104,324)	(314,048)	8,875,620
Gains and losses on revaluations of fixed assets for the charity's own use	14	-	-	(619,000)	(619,000)	-
Actuarial gains and losses on defined benefit pension schemes		-	(44,000)	-	(44,000)	(145,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		137,948	(391,672)	(723,324)	(977,048)	8,730,620
Total funds at 1 September 2013		44,320	(1,208,683)	9,894,983	8,730,620	-
TOTAL FUNDS AT 31 AUGUST 2014		182,268	(1,600,355)	9,171,659	7,753,572	8,730,620

All activities relate to continuing operations.

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

The notes on pages 22 to 40 form part of these financial statements.

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08401607

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	14		9,171,659		9,894,983
CURRENT ASSETS					
Debtors	15	131,732		55,519	
Cash at bank and in hand		576,985		632,907	
		708,717		688,426	
CREDITORS: amounts falling due within one year	16	(438,804)		(259,789)	
NET CURRENT ASSETS			269,913		428,637
TOTAL ASSETS LESS CURRENT LIABILITIES			9,441,572		10,323,620
Defined benefit pension scheme liability	22		(1,688,000)		(1,593,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			7,753,572		8,730,620
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	87,645		384,317	
Restricted fixed asset funds	17	9,171,659		9,894,983	
Restricted funds excluding pension liability		9,259,304		10,279,300	
Pension reserve		(1,688,000)		(1,593,000)	
Total restricted funds			7,571,304		8,686,300
Unrestricted funds	17		182,268		44,320
TOTAL FUNDS			7,753,572		8,730,620

The financial statements were approved by the Trustees, and authorised for issue, on 11 December 2014 and are signed on their behalf, by:



Lynda Walker
Chair of Trustees

The notes on pages 22 to 40 form part of these financial statements.

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	19	40,995	214,505
Returns on investments and servicing of finance	20	1,781	225
Capital expenditure and financial investment	20	(98,698)	9,874
Cash transferred on conversion to an academy trust		-	382,303
(DECREASE)/INCREASE IN CASH IN THE YEAR		(55,922)	606,907

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014

	2014 £	2013 £
(Decrease)/Increase in cash in the year	(55,922)	606,907
MOVEMENT IN NET FUNDS IN THE YEAR	(55,922)	606,907
Net funds at 1 September 2013	632,907	26,000
NET FUNDS AT 31 AUGUST 2014	576,985	632,907

The notes on pages 22 to 40 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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.

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.

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.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,500 (2013 - £1,000) 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 as impairments. Impairment losses 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.

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	50 years straight line
S/Term Leasehold Property	-	14 years straight line
Motor vehicles	-	5-10 years straight line
Fixtures and fittings	-	5-125 years straight line
Computer equipment	-	5 years straight line

1.7 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.

1.8 Pensions

Retirement benefits to employees of the academy 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.

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 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 22, the TPS is a multi-employer scheme and the academy 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 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.

THE SWEYNE PARK SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

2. VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds	Total funds period to 31 August 2013
	2014 £	2014 £	2014 £	£
Donations	16,592	120,487	137,079	34,978
Transfer on conversion	-	-	-	8,883,706
	<u>16,592</u>	<u>120,487</u>	<u>137,079</u>	<u>8,918,684</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds	Restricted funds	Total funds	Total funds period to 31 August 2013
	2014 £	2014 £	2014 £	£
Rental income	94,722	-	94,722	38,247
Other income from activities	7,341	-	7,341	95
	<u>102,063</u>	<u>-</u>	<u>102,063</u>	<u>38,342</u>

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Total funds	Total funds period to 31 August 2013
	2014 £	2014 £	2014 £	£
Investment income	1,781	-	1,781	225
	<u>1,781</u>	<u>-</u>	<u>1,781</u>	<u>225</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds	Total funds period to 31 August 2013
	2014 £	2014 £	2014 £	£
Educational Operations	-	6,993,412	6,993,412	2,873,207
	<u>-</u>	<u>6,993,412</u>	<u>6,993,412</u>	<u>2,873,207</u>

THE SWEYNE PARK SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	Total funds	Total funds period to 31 August 2013
	2014 £	2014 £	2014 £	2013 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	6,254,781	6,254,781	2,535,720
Pupil Premium	-	221,466	221,466	68,625
DfE/EFA Capital Grants	-	25,111	25,111	25,094
	-	6,501,358	6,501,358	2,629,439
Other government grants				
Local Authority Grants	-	492,054	492,054	243,768
	-	492,054	492,054	243,768
	-	6,993,412	6,993,412	2,873,207

6. OTHER INCOMING RESOURCES

	Unrestricted funds	Restricted funds	Total funds	Total funds period to 31 August 2013
	2014 £	2014 £	2014 £	2013 £
Other incoming resources	51,123	236,904	288,027	86,018

THE SWEYNE PARK SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

7. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure Premises	Other costs	Total	Total
	2014	2014	2014	2014	period to 31 August 2013
	£	£	£	£	£
Educational Operations	5,358,675	214,330	863,870	6,436,875	2,513,952
Support costs - Educational Operations	594,120	554,071	232,586	1,380,777	516,904
Charitable activities	5,952,795	768,401	1,096,456	7,817,652	3,030,856
Governance	-	-	18,758	18,758	10,000
	5,952,795	768,401	1,115,214	7,836,410	3,040,856

The academy trust has regard to the propriety and regularity of the use of public funds, and has a policy for gifts and hospitality. Gifts made by the trust from public funds did not exceed £25 per member of staff in the year.

THE SWEYNE PARK SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

8. CHARITABLE ACTIVITIES

	Total funds 2014 £	Total funds period to 31 August 2013 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff	5,358,675	2,145,499
Depreciation	219,756	87,670
Technology Costs	208,247	88,122
Educational Supplies	505,227	149,113
Examination Fees	72,424	7,211
Staff Development and Training	28,284	11,985
Educational Consultancy	30,318	21,831
Other Direct Costs	13,944	2,521
	<u>6,436,875</u>	<u>2,513,952</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	528,121	207,564
Depreciation	8,376	2,969
Pension income	66,000	26,000
Technology Costs	178	-
Maintenance of Premises and Equipment	198,260	62,868
Cleaning	152,084	65,183
Rent and Rates	34,096	20,990
Energy Costs	122,875	50,138
Insurance	46,756	20,928
Security and Transport	5,278	1,971
Catering	58,285	19,110
Other Support Costs	160,468	39,183
	<u>1,380,777</u>	<u>516,904</u>
	<u><u>7,817,652</u></u>	<u><u>3,030,856</u></u>

9. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds period to 31 August 2013 £
Auditors' remuneration	-	10,300	10,300	10,000
Auditors' non audit costs	-	8,458	8,458	-
	<u>-</u>	<u>18,758</u>	<u>18,758</u>	<u>10,000</u>
	<u><u>-</u></u>	<u><u>18,758</u></u>	<u><u>18,758</u></u>	<u><u>10,000</u></u>

THE SWEYNE PARK SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charity	228,132	90,639
Auditor's remuneration	10,300	10,000
	<u>238,432</u>	<u>100,639</u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	4,847,616	1,948,860
Social security costs	363,245	144,963
Other pension costs (Note 22)	675,935	259,240
	<u>5,886,796</u>	<u>2,353,063</u>
Pension finance costs	66,000	26,000
	<u>5,952,796</u>	<u>2,379,063</u>

b. Staff numbers

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

	2014 No.	2013 No.
Teachers	84	99
Administration and support	56	52
Management	10	8
	<u>150</u>	<u>159</u>

THE SWEYNE PARK SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

11. STAFF (continued)

c. Higher paid staff

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

	2014	2013
	No.	No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0
	<u>3</u>	<u>2</u>

All of the above staff participated in the Teacher's Pension Scheme. During the year ended 31 August 2014, pension contributions for these staff amounted to £32,532 (2013 - £22,489).

12. TRUSTEES' REMUNERATION AND EXPENSES

The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2014	2013
	£	£
C Hogg	40,000-45,000	10,000-15,000
W Williamson	15,000-20,000	5,000-10,000
S Shirley	50,000-55,000	15,000-20,000
A Hodgkinson	105,000-110,000	35,000-40,000

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2013 - £NIL).

13. 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,866 (2013 - £1,866). The cost of this insurance is included in the total insurance cost.

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

14. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2013	9,925,000	10,400	23,639	26,583	9,985,622
Additions	55,100	-	30,820	37,888	123,808
Impairment charge	(619,000)	-	-	-	(619,000)
At 31 August 2014	<u>9,361,100</u>	<u>10,400</u>	<u>54,459</u>	<u>64,471</u>	<u>9,490,430</u>
Depreciation					
At 1 September 2013	84,416	1,158	2,096	2,969	90,639
Charge for the year	214,330	1,240	4,186	8,376	228,132
At 31 August 2014	<u>298,746</u>	<u>2,398</u>	<u>6,282</u>	<u>11,345</u>	<u>318,771</u>
Net book value					
At 31 August 2014	<u>9,062,354</u>	<u>8,002</u>	<u>48,177</u>	<u>53,126</u>	<u>9,171,659</u>
At 31 August 2013	<u>9,840,584</u>	<u>9,242</u>	<u>21,543</u>	<u>23,614</u>	<u>9,894,983</u>

In the previous year, the land and buildings transferred on conversion were brought in at an insurance valuation. A formal valuation was received during the year which was lower than the insurance valuation and as a consequence an impairment charge has been recognised.

15. DEBTORS

	2014 £	2013 £
VAT recoverable	33,716	13,458
Other debtors	98,016	42,061
	<u>131,732</u>	<u>55,519</u>

**16. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Other taxation and social security	105,978	107,818
Pension contributions payable	86,204	81,253
Other creditors	212,352	46,608
Accruals and deferred income	34,270	24,110
	<u>438,804</u>	<u>259,789</u>

THE SWEYNE PARK SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

16. CREDITORS:
Amounts falling due within one year (continued)

	£
Deferred income	
Deferred income at 1 September 2013	14,110
Resources deferred during the year	24,270
Amounts released from previous years	(14,110)
	<hr/>
Deferred income at 31 August 2014	24,270
	<hr/> <hr/>

THE SWEYNE PARK SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	44,320	171,559	-	(33,611)	-	182,268
Restricted funds						
Restricted Funds	384,317	7,294,872	(7,625,155)	33,611	-	87,645
Pension reserve	(1,593,000)	-	(51,000)	-	(44,000)	(1,688,000)
	<u>(1,208,683)</u>	<u>7,294,872</u>	<u>(7,676,155)</u>	<u>33,611</u>	<u>(44,000)</u>	<u>(1,600,355)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	9,894,983	55,931	(160,255)	-	(619,000)	9,171,659
Total restricted funds	<u>8,686,300</u>	<u>7,350,803</u>	<u>(7,836,410)</u>	<u>33,611</u>	<u>(663,000)</u>	<u>7,571,304</u>
Total of funds	<u><u>8,730,620</u></u>	<u><u>7,522,362</u></u>	<u><u>(7,836,410)</u></u>	<u><u>-</u></u>	<u><u>(663,000)</u></u>	<u><u>7,753,572</u></u>

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

Restricted general funds:

These grants relate to the Academy's development and operational activities.

Restricted pension funds:

These funds represent the LGPS obligation to the employees of the academy Trust.

Restricted fixed asset fund:

These grants relate to capital funding to carry out works of a capital nature.

Unrestricted reserve:

These funds relate to unrestricted income to be used to support the academy's objectives and educational activities,

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 2014.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	44,320	171,559	-	(33,611)	-	182,268
Restricted funds	(1,208,683)	7,294,872	(7,676,155)	33,611	(44,000)	(1,600,355)
Restricted fixed asset funds	9,894,983	55,931	(160,255)	-	(619,000)	9,171,659
	<u>8,730,620</u>	<u>7,522,362</u>	<u>(7,836,410)</u>	<u>-</u>	<u>(663,000)</u>	<u>7,753,572</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds period to 31 August 2013 £
Tangible fixed assets	-	-	9,171,659	9,171,659	9,894,983
Current assets	182,268	526,449	-	708,717	688,426
Creditors due within one year	-	(438,804)	-	(438,804)	(259,789)
Provisions for liabilities and charges	-	(1,688,000)	-	(1,688,000)	(1,593,000)
	<u>182,268</u>	<u>(1,600,355)</u>	<u>9,171,659</u>	<u>7,753,572</u>	<u>8,730,620</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	(314,048)	8,875,620
Returns on investments and servicing of finance	(1,781)	(225)
Transferred on conversion	-	(8,926,705)
Depreciation of tangible fixed assets	228,132	90,639
Capital grants from DfE	(25,111)	(25,094)
Increase in debtors	(76,212)	(55,519)
Increase in creditors	179,015	259,789
FRS 17 adjustments	117,000	22,000
Net cash inflow from operations	<u>40,995</u>	<u>214,505</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

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

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	1,781	225
	<u>1,781</u>	<u>225</u>
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(123,808)	(15,220)
Capital grants from DfE	25,110	25,094
	<u>(98,698)</u>	<u>9,874</u>
Net cash (outflow)/inflow capital expenditure	(98,698)	9,874

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	632,907	(55,922)	-	576,985
Net funds	<u>632,907</u>	<u>(55,922)</u>	<u>-</u>	<u>576,985</u>

22. PENSION COMMITMENTS

The academy'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 2010.

Contributions amounting to £86,204 were payable to the scheme at 31 August 2014 (2013 - £81,253) 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

22. PENSION COMMITMENTS (continued)

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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100%

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22. PENSION COMMITMENTS (continued)

basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £54,314, of which employer's contributions totalled £36,477 and employees' contributions totalled £17,837. The agreed contribution rates for future years are 5.5% for employers and 12% 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's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.10	660,000	6.60	489,000
Bonds	3.60	113,000	4.40	68,000
Property	5.10	119,000	5.60	83,000
Gilts	3.00	66,000	3.50	60,000
Cash	2.90	29,000	0.50	23,000
Other	3.60	40,000	4.40	30,000
Total market value of assets		1,027,000		753,000
Present value of scheme liabilities		(2,715,000)		(2,346,000)
(Deficit)/surplus in the scheme		(1,688,000)		(1,593,000)

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22. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

	2014	2013
	£	£
Present value of funded obligations	(2,715,000)	(2,346,000)
Fair value of scheme assets	1,027,000	753,000
Net liability	<u>(1,688,000)</u>	<u>(1,593,000)</u>

The amounts recognised in the Statement of financial activities are as follows:

	2014	2013
	£	£
Current service cost	(139,000)	(48,000)
Interest on obligation	(114,000)	(41,000)
Expected return on scheme assets	48,000	15,000
Total	<u>(205,000)</u>	<u>(74,000)</u>
Actual return on scheme assets	<u>100,000</u>	<u>42,000</u>

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

	2014	2013
	£	£
Opening defined benefit obligation	2,346,000	2,066,000
Current service cost	139,000	48,000
Interest cost	114,000	41,000
Contributions by scheme participants	46,000	18,000
Actuarial Losses	96,000	173,000
Benefits paid	(26,000)	-
Closing defined benefit obligation	<u>2,715,000</u>	<u>2,346,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

22. PENSION COMMITMENTS (continued)

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

	2014	2013
	£	£
Opening fair value of scheme assets	753,000	632,000
Expected return on assets	48,000	15,000
Actuarial gains and (losses)	52,000	28,000
Contributions by employer	154,000	60,000
Contributions by employees	46,000	18,000
Benefits paid	(26,000)	-
	1,027,000	753,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £189,000 loss (2013 - £145,000 loss).

The academy expects to contribute £156,000 to its Defined benefit pension scheme in 2015.

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

	2014	2013
Discount rate for scheme liabilities	4.00 %	4.70 %
Rate of increase in salaries	4.50 %	4.70 %
Rate of increase for pensions in payment / inflation	2.70 %	2.90 %
Inflation assumption (CPI)	2.70 %	2.90 %
Inflation assumption (RPI)	3.50 %	3.70 %

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

	2014	2013
Retiring today		
Males	22.7	22.7
Females	25.1	25.3
Retiring in 20 years		
Males	24.9	24.2
Females	27.4	26.9

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(2,715,000)	(2,346,000)
Scheme assets	1,027,000	753,000
Deficit	<u>(1,688,000)</u>	<u>(1,593,000)</u>
Experience adjustments on scheme liabilities	(96,000)	(173,000)
Experience adjustments on scheme assets	<u>52,000</u>	<u>28,000</u>

23. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Within 1 year	1,004	-
Between 2 and 5 years	11,251	11,568
After more than 5 years	-	1,691
	<u>12,255</u>	<u>13,259</u>

24. 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.

25. 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.