

**TARKA LEARNING PARTNERSHIP
(FORMERLY NEWPORT COMMUNITY SCHOOL PRIMARY ACADEMY)
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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

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TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	G Cockell (resigned 31 August 2018) M Mock A Pethick (resigned 31 August 2018) L Wilkinson (resigned 31 August 2018) V Nel P Stein (appointed 1 September 2018) J Hanson (appointed 1 September 2018) P Blyth (appointed 1 September 2018)
Trustees	M Mock (resigned 31 August 2018) ² A Pethick (resigned 17 July 2018) ² A Cotton, Head Teacher (resigned 31 August 2018, reappointed 1 September 2018) ^{1,2} S Gibson (resigned 31 August 2018) ¹ J Bazley, Vice Chair (until 31 August 2018) (resigned 31 August 2018) ¹ D Davies (resigned 30 June 2018) ¹ V Nel, Chair (until 31 August 2018) (resigned 31 August 2018) ^{1,2} L York (appointed 17 July 2018, resigned 31 August 2018) ² D Cresswell (resigned 31 August 2018) ¹ K Baker (resigned 31 August 2018) ² K Redden (resigned 31 August 2018) ² M Semmens (resigned 31 August 2018) ² R Balment (resigned 31 August 2018) ¹ G Gratton (appointed 30 November 2017, resigned 31 August 2018) ² J Hill (appointed 30 November 2017, resigned 31 August 2018) ¹ N Hookway (appointed 1 September 2018) J Byrne (appointed 1 September 2018) C Tope (appointed 1 September 2018) C Rice (appointed 1 September 2018) P Stein, Chair (from 1 September 2018) (appointed 1 September 2018) G Cockell, Vice Chair (from 1 September 2018) (appointed 1 September 2018)

¹ Resources Committee

² Curriculum Committee

Company registered number	07700494
Company name	Tarka Learning Partnership
Principal and Registered office	Newport Community School Primary Academy Landkey Road Newport Barnstaple Devon EX32 9BW
Company secretary	M Cann
Accounting & Chief Executive Officer	A Cotton

Senior Leadership Team

Andy Cotton, Head Teacher / Chief Executive Officer
Gillian Courtenay, Deputy Head Teacher
Sue Gibson, Assistant Head Teacher
Maureen Cann, School Business Manager / Chief Finance Officer
G Gratton, Assistant Head Teacher
A Ogden, Teaching School Director

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 4 primary Academies in a 3 mile radius of Barnstaple. Its Academies have a combined pupil capacity of 1,327 and had a roll of 1,302 in the school census on 18 May 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Tarka Learning Partnership are also the directors of the charitable company for the purposes of company law. The charitable company is known as Tarka Learning Partnership.

The Company was previously known as Newport Community School Primary Academy

Details of the Trustees who served throughout the year, and to the date the financial statements are approved are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The insurance is provided through the Risk Protection Arrangement (RPA) provided by the ESFA and provides an unlimited level of protection.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

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

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

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

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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Parents are represented at Local Governing Body level.

Policies and Procedures Adopted for the Induction and Training of Trustees

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

Organisational Structure

The Board of Trustees normally meet 3 times in the autumn term and once in each of the spring and summer terms. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

As a single unit academy there were 3 sub committees as follows;

- Resources Committee - this meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. It also deals with personnel, premises and health and safety matters.
- Curriculum Committee - this meets at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- MAT Committee – this meets as required to review matters related to the proposed Free School and matters concerning the formation of a Multi Academy Trust making recommendations to the Board of Directors.

Since the new schools joined the Academy Trust, the full Board has been meeting on a monthly basis.

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

The Academy Trust comprises four primary schools, Eden Park Academy, Landkey Community Primary Academy, Newport Community School Primary Academy, Sticklepath Community Primary Academy, a Teaching School known as The Devon Teaching School Partnership and Initial Teacher Training Provider known as Devon Primary SCITT. Each of the above has its own Governing Body responsible for day to day operations and management of the its budget.

The Chief Executive Officer is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

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

Trade Union Facility Time

The Academy Trust had less than 49 full time equivalent employees in 10 months of the reporting period and is therefore exempt from making disclosure regarding Trade Union facility time.

Connected Organisations, including Related Party Relationships

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

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

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

Objectives, Strategies and Activities

The Academy's Improvement Priorities for 2017-18 were as follows:-

The Achievement of Pupils at the School

- To raise the attainment and progress of maths, in particular reasoning Years 1 – 6 and Number in EYFS to match the attainment progress in reading;
- To diminish the difference in the percentage of disadvantaged children, compared to 'other' children in the school and nationally, meeting;
- EYFS GLD ;
- Y1 Phonics required standard;
- Y2 and Y6 expected standard;
- For disadvantaged children in the school to make as good as, or better progress, than 'other' pupils in the school and nationally;
- To raise the attainment and progress of boys, in particular summer born, in EYFS & KS1;
- To raise the attainment of children in KS2 whose prior learning was lower than the expected level at KS1;
- To review provision for Speech & Language in EYFS in order to prioritise engagement with families and improve pupil outcomes in communications & language;
- To reach the individual pupil targets for all pupils to ensure collectively that the attainment and progress of pupils in Y6 in reading, writing, GAPs and maths is in line with or above the top performing 5% of schools nationally at the end of KS2.

The Behaviour and Safety of Pupils in School

- To raise attendance of disadvantaged children to that of other children in the school and raise attendance levels of all other vulnerable groups to their prescribed target. (Year 1 of 2-year target);
- To update staff knowledge and responsibility towards safeguarding of pupils, including a review of the E-Safety Policy;

The Quality of Teaching in School

- To develop a written EYFS curriculum which includes approach to teaching and learning outcomes;
- To provide children in KS2 with new specific outdoor learning activities as part of their outdoor learning;
- To provide a consistent provision for Primary Language and Music across the school.

Quality of Leadership in and Management of the School

- To review the vision, aims and ethos of the school with reference to the value of learning and working across settings;
- To successfully manage the transition of the Academy from SAT to MAT to ensure systems of leadership & governance ensure successful outcomes for children;
- To review the appraisal and observation systems for TAs to further develop outcomes for children.

Public Benefit

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

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

As a Trust we have a duty to support other schools. We support many schools through outreach services for managing the needs of autism.

STRATEGIC REPORT

Achievements and Performance

The strategic aim to successfully manage the transition from the SAT to the MAT has been fully met. In collaboration with our partner schools, the Tarka Learning Partnership was formed on 1st July 2018 with Eden Park Academy, Landkey Community Primary Academy and Sticklepath Community Primary Academy joining Newport Community School Primary Academy, the Devon Teaching School Partnership, Devon Primary SCITT and Roundwell Community Primary Academy (a free school in the pre-opening phase). The Park Community School also has its Academy Order.

The results published in this section relate to the activities of Newport Community School as per the aims and objectives set in the prior year as a Single Academy Trust, future reports will include results from all schools as part of the MAT's stated improvement targets.

Results for 2018 once again demonstrate attainment far in excess of national averages.

EXP = Expected Levels GDS = Greater Depth

Reception: the number of children achieving a Good Level of Development was 93%

Year 1: Phonics - 95% marks of 32 + with 72% passing with marks of 38+

Year 2: Reading - 93.6% reached EXP with 36.5% achieving GDS

Writing - 95.2% reached EXP with 33.3% achieving GDS

Maths - 93.6% reached EXP with 36.5% achieving GDS

Year 6: Reading - 93.8% reached EXP with 43.8% achieving GDS

Writing - 93.8% reached EXP with 42.2% achieving GDS

Maths - 95.4% reached EXP with 43.8% achieving GDS

The quality of teaching has continued to improve with 61% of lessons observed being outstanding.

Attendance is above national average at 96.1%.

The Academy Trust has reviewed its E-Safety policy and has had a very positive safeguarding audit. Changes were made to practice to further enhance safeguarding procedures.

The outdoor activities curriculum has been implemented and enjoyed with children from all year groups having the opportunity to engage in activities such as archery, climbing and surfing. In addition, children have continued to enjoy a wide range of extra-curricular activities and participation and success in many sporting events, including a residential experience at Leicester City Football Club!

Children from Year 3 onwards had the opportunity to attend residential visits to the Isle of Wight, Nethercott Farm, Beam House and Paignton Zoo. A total of 144 children took part in these events.

The development of the Free School, to be known as Roundswell Community Primary Academy has progressed. The DfE have approved the project for an opening date of 1st September '19 in temporary accommodation at Newport School moving to the permanent site at Tews Lane, Roundswell in September '20.

The Academy Trust continued to receive tremendous support from parent volunteers helping with trips, reading and functions.

Fundraising activities saw £3,731 being raised by the children for their chosen charities this year: £1,569 to Sports Relief and the remaining £2,161 to Cystic Fibrosis.

The fundraising activities of the Trust raised £5,925 during the year. £400 has been donated to the school to purchase e-readers, £958 for Lego technics to support design technology and £945 for a new piano. The Fundraising balance is £11,422 which will be used to support the purchase of IT devices for children and the development of a Key Stage 1 library.

**TARKA LEARNING PARTNERSHIP
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

DPSCITT saw a high number (46 out of 51 with two returning for medical/personal reasons this year) of students successfully complete initial teacher training. 83% of trainees have secured teaching posts from September '18. There have been 42 (normally 40) Primary trainees recruited for September '18 which is good in the current climate.

Key Outcomes: ITT

Trainee Grades (There is no national comparative data but for Ofsted criteria above 50% outstanding grades with minimal grade 3 would place us at an outstanding grade)

Primary	2015-16	2016-17	2017-18
Grade 1	72%	61%	63%
Grade 2	37%	39%	35%
Grade 3	3%*	0%	2%
Grade 4	0%	0%	0%
Deferred	5%	0%	7%*
Withdrew	2.5%	9%	2%

*Two who have deferred are returning (medical reasons and personal) which will lower this to 3%

Early Primary	2015-16	2016-17	2017-18
Grade 1			70%
Grade 2			30%
Grade 3			0%
Grade 4			0%
Deferred			0%
Withdrew			0%

DTSP have been successful in gaining accreditation to deliver National Professional Qualifications in Middle and Senior Leadership. 33 leaders are currently on these programmes.

During 2017-18. 42 NQTs attended the Newly Qualified Teacher Programme.

Performing arts continues to be a prominent feature of school life with the children taking part in numerous events within school and the wider community.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG). In the period under review, £439,748 of GAG and non designated unrestricted funds was carried forward representing 21% of GAG.

As funding is based on pupil numbers this is also a key performance indicator.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Newport Community School Primary Academy remains full and over-subscribed at 104%
Of the schools joining the Trust in July 18
Eden Park was at 66% capacity
Landkey 96% capacity
Sticklepath 97% capacity

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 Going concern policy forming part of the accounting policies.

FINANCIAL REVIEW

Financial Review

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2018, (excluding restricted fixed asset funds and pension reserves) the Academy Trust received total income of £3,676,327 and incurred total expenditure of £3,273,252. The excess of income over expenditure for the year after transfers to restricted fixed asset funds of £20,200 (but excluding restricted fixed asset funds and pension reserves) was £382,875.

At 31 August 2018 the net book value of fixed assets was £15,518,904 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The land, buildings and other assets for each Academy were transferred to the Academy Trust upon conversion. Land and buildings for Newport Community School were valued by the ESFA on 31 August 2012 at £4,046,128. Land and buildings for all other Schools were valued on 1 July 2018 having regard to available data including external valuations at £10,708,115. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the former school's budget share of the Academies joining the Trust (£214,130) was transferred across on conversion and is shown as Unrestricted Funds.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Reserves Policy

The Balances & Reserves Policy set for the SAT in July 2017 considers the minimum year-end carry forward should not fall below £160,000 in any year. It was forecasted that for the Year Ended 2017-18 there will be a reserve of approx. £170,000 to meet a projected deficit in 18-19 pending organisational change and to fund any unexpected expenditure i.e. funds for repairs whilst insurance funds are pending.

The activities of Devon Primary SCITT, to deliver initial teacher training shall be wholly funded through the income generated for that purpose. The reserve level for that area of funding should not fall below £110,000 at the end of 2017-18.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

The Academy Trust's current level of reserves (total funds less the amount held in fixed assets and non-GAG restricted funds) is £631,829 of which £439,748 is free reserves. Including other restricted funds (other than pension and restricted fixed assets) but including unrestricted fixed asset, fund balances amount to £806,390. A breakdown of this balance by operational areas is provided in note 18 to the financial statements.

For 2018-19 the Balances and Reserves policy sets the reserves levels as follows:

Academies - The level of reserve that the trust considers prudent for its current operational environment for its Academies is 5% of non capital government funding. For 2018-19 this would result in a reserve of approx £430,000. This forecast is based on part-year income of a secondary joining the trust and for comparison a full year of income would see the reserve total in the region of £646,000 which would be the aim of the trust in 18-19.

ITT and Teaching School Activities – The activities in relation of DPSCITT and the Teaching School should be sufficient to meet redundancy costs in the event that those activities no longer forms part of the Academy Trust's activities or there is a change in government policy.

The reserves of DPSCITT & the Teaching school should not fall below £90,000.

The Academy Trust's Balances and Reserves Policy is available upon request.

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

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Finance Officer within strict guidelines laid down in the Investment Policy approved by the Board of Trustees.

Principal Risks and Uncertainties

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

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

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 79% of the Academy Trust's incoming resources (excluding balances transferred on conversion) were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

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

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

Whilst pupil numbers across the Trust are at healthy levels, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

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

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Academy Trust does not outsource fundraising activities. Events such as the summer fayre or draws are held during the course of the school year with the intention of fundraising but participation is voluntary. Funds raised as part of these events are managed by the Academy Trust under its existing policy and procedures framework.

PLANS FOR FUTURE PERIODS

***The Vision and Values of the Tarka Learning Partnership
'Empowering young people in North Devon through learning'***

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

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

**TARKA LEARNING PARTNERSHIP
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

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

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

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

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

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

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

In its first year of operation the Trust will be reviewing all contextual data for its schools and setting its improvement priorities in line with need.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

GLOSSARY OF TERMS

CAIRB	Communication and Interaction Resource Base
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CPD	Continuing Professional Development
DfE	Department for Education
DPSCITT	Devon Primary School Centered Initial Teacher Training
DTSP	Devon Teaching School Partnership
EAL	English as an Additional Language
ESFA	Education and Skills Funding Agency
EXP	Expected Level of Development
EYFS	Early Years Foundation Stage
FSM	Free School Meals
GAG	General Annual Grant
GDS	Good Level of Development
IT	Information Technology
KS1	Key Stage One
KS2	Key Stage Two
LGPS	Local Government Pension Scheme
MAT	Multi Academy Trust
NQT	Newly Qualified Teacher
PP	Pupil Premium
PTA	Parent Teacher Association
R O	Responsible Officer
SEN	Special Educational Needs
SLT	Senior Leadership Team
UEFSM	Universal Entitlement to Free School Meals

**TARKA LEARNING PARTNERSHIP
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 19 December 2018 and signed on the board's behalf by:



**P Stein
Chair of Trustees**

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

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Tarka Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 9 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
M Mock	9	9
A Pethick	5	9
A Cotton, Head Teacher (resigned 31 August 2018, reappointed 1 September 2018)	9	9
S Gibson	8	9
J Bazley, Vice Chair (until 31 August 2018)	7	9
D Davies	4	8
V Nel, Chair (until 31 August 2018)	9	9
L York	9	9
D Cresswell	7	9
K Baker	5	9
K Redden	5	9
M Semmens	6	9
R Balment	7	9
G Gratton	4	6
J Hill	5	6
N Hookway	4	6
J Bryne	5	6
C Tope	0	0
C Rice	0	0
P Stein, Chair (from 1 September 2018)	0	0
G Cockell, Vice Chair (from 1 September 2018)	0	0

The Governors have reviewed all areas of school performance through a range of quantitative and qualitative data including DfE performance comparators, Head Teacher Reports, Financial Benchmarking and reports, reports from internal and external auditors, safeguarding audits and governor monitoring visits during the academic year.

Changes to Directors

With the formation of the Tarka Learning Partnership, the existing Board of Directors unanimously agreed to voluntarily resign their posts once the Trust had been through a recruitment process to appoint a new Board of Directors which would be representative of the wider community of schools. The majority of the previous Board of Directors have stayed to become governors on Newport Community School's Local Governing Body. The new directors for the Trust were recruited through an open public process. These voluntary roles were advertised in the local press as well as in the partnership schools with all existing Directors of the Trust being eligible to apply. Potential Directors applied through an application process, provided 2 referees and undertake a formal panel interview. The panel consisting of the CEO and Governor representatives from the partner schools. 6 Directors were recruited through this process covering a range of skills. There are currently 2 vacancies which the Board is actively recruiting for. The recruitment process highlighted the following competencies and skills required across

GOVERNANCE STATEMENT (continued)

the board:-

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

The appointments were ratified by the members.

The **Resources Committee** is a sub-committee of the main Board of Trustees. Its purpose is to

The Terms of Reference specific to the **Resources Committee** is:

1. To provide guidance and assistance to the Headteacher and the governing body in all matters relating to:- budgeting and finance, health and safety, personnel, equal opportunities, caretaking and cleaning, maintenance of the building, care of the grounds and the community building; ensuring sound management of the Academy Trust's resources including proper planning, monitoring and probity.
2. To prepare and review financial policy statements, including consideration of long term planning and resourcing for agreement by the whole governing body and to prepare a Financial Policy for the governing body to include recommended levels of delegation. To be reviewed annually.
3. To consider each year relevant school improvement plan priorities, the publication of the Management Plan and present an annual budget to the governing body for approval.
4. To monitor the income and expenditure of all public funds (e.g. budget share, and any other funds devolved by the ESFA and report the financial situation to the governing body each term).
5. To ensure that the standards of any relevant quality assurance process are maintained and monitored.
6. To vire funds, if necessary, within limits set by the governing body.
7. To receive Auditors' reports and, where appropriate, make recommendations to the Governing Body.
8. To monitor non-financial data affecting budgets.
9. To ensure that the principles of Best Value are followed in making decisions.
10. To make recommendations on the purchasing of services.
11. To review the Academy Trust's anti fraud policy and implement the Fraud Response and Investigation Plan if necessary.
12. To prepare annually the Trustees Report for the Academy Trust's Statutory Accounts.
13. To monitor, keep under review and make recommendations on policies dealing with personnel issues and report to the full governing body.
14. To monitor the Teacher's Appraisal Policy and Support Staff Appraisal Arrangements and report to the full governing body.
15. To make arrangements for interviewing and appointing staff.
16. Redundancy - to draft and review, in consultation with staff, criteria for redundancy for approval of the governing body.

GOVERNANCE STATEMENT (continued)

17. Salaries: a. to establish the annual and longer term salary forecasts and other costs relating to personnel; b. review staff salaries annually and make decisions on pay.

18. Staffing structure - to review the staffing structure whenever a vacancy occurs and at least annually in relation to the school's improvement plan.

19. To ensure the school meets all safeguarding legislation and requirements.

20. To monitor and review all matters related to the Academy Trust's Health and Safety procedures and outcomes, including the condition of premises and grounds and receive internal monitoring and external health & safety audit reports.

21. To review the extent of the insurance provided by the trust annually.

22. To oversee the planning, implementation & monitoring of significant premises related contracts.

23. Draft and review the Academy Trust's Emergency Management Plan and make recommendations to the Governing Body.

24. To review policies for full Governing Body approval in accordance with the Policy Schedule and Governor Cycle of Business.

During the year Jo Hill joined the committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
V Nel	4	4
A Cotton	4	4
S Gibson	4	4
D Davies	2	3
J Bazley	4	4
D Cresswell, Chair	3	4
R Balment	2	4
J Hill	3	3

The functions of the Audit Committee are undertaken by the Resources Committee. The Chair of the Resources Committee receives the report from Devon Audit Partnership who have conducted an internal audit visit in May 2018.

For the financial year commencing September 2018 the Board of Directors are forming a separate Audit Committee.

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.

GOVERNANCE STATEMENT (continued)

- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively through review of staffing structures and to meet current and future need.
- Reviewing quality of curriculum provision and quality of teaching through robust monitoring processes.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

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 the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Newport Community School Primary Academy and latterly the Tarka Learning Partnership for the period from 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and 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 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 to appoint Devon Audit Partnership as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

Areas Covered	Level of Assurance
Accounting & Financial Control	High Standard
Anti-Fraud	High Standard
Income	High Standard
Purchases & Payments	High Standard
Salaries, wages and Expenses	High Standard

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

The internal auditor has delivered his schedule of works as planned.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources 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 19 December 2018 and signed on their behalf, by:



P Stein
Chair of Trustees



A Cotton
Accounting Officer

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

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Newport Community Primary Academy and latterly the Tarka Learning Partnership I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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



**A Cotton
Accounting Officer**

Date: 19 December 2018

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

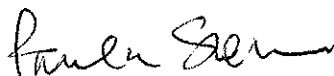
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



**P Stein
Chair of Trustees**

Date: 19 December 2018

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

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

OPINION

We have audited the financial statements of Tarka Learning Partnership (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

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

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Tim Borton FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park,
Exeter
EX1 3QS
Date:

21 December 2018

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

In accordance with the terms of our engagement letter dated 19 October 2012 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tarka Learning Partnership during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Tarka Learning Partnership and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Tarka Learning Partnership and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tarka Learning Partnership and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF TARKA LEARNING PARTNERSHIP'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Tarka Learning Partnership's funding agreement with the Secretary of State for Education dated 1 August 2011, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.


Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Tim Borton FCA DChA (Reporting Accountant)

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

Date:

21 December 2018

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Transfer from local authority on conversion	2	214,130	(2,879,000)	10,708,115	8,043,245	-
Other donations and capital grants	2	9,914	9,485	-	19,399	167,376
Charitable activities:	3					
Academy Trust educational operations	3	431,245	2,449,811	-	2,881,056	2,045,145
SCITT	29	477,647	-	-	477,647	426,459
Other trading activities	4	83,749	-	-	83,749	69,000
Investments		346	-	-	346	372
TOTAL INCOME		1,217,031	(419,704)	10,708,115	11,505,442	2,708,352
EXPENDITURE ON:						
Raising funds		5,539	-	-	5,539	2,182
Charitable activities:						
Academy Trust educational operations	5	457,880	2,401,782	160,011	3,019,673	2,476,520
SCITT	29	408,051	-	-	408,051	303,974
Other charitable activities		-	251,000	-	251,000	-
TOTAL EXPENDITURE	5	871,470	2,652,782	160,011	3,684,263	2,782,676
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		345,561	(3,072,486)	10,548,104	7,821,179	(74,324)
Transfers between Funds	18	-	(20,200)	20,200	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		345,561	(3,092,686)	10,568,304	7,821,179	(74,324)
Actuarial gains on defined benefit pension schemes	23	-	835,000	-	835,000	183,000
NET MOVEMENT IN FUNDS		345,561	(2,257,686)	10,568,304	8,656,179	108,676
RECONCILIATION OF FUNDS:						
Total funds brought forward		344,938	(1,064,423)	4,826,282	4,106,797	3,998,121
TOTAL FUNDS CARRIED FORWARD		690,499	(3,322,109)	15,394,586	12,762,976	4,106,797

The notes on pages 29 to 53 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		15,518,904		4,958,550
CURRENT ASSETS					
Debtors	15	369,913		69,699	
Cash at bank and in hand		801,641		527,061	
		<u>1,171,554</u>		<u>596,760</u>	
CREDITORS: amounts falling due within one year	16	<u>(489,482)</u>		<u>(305,513)</u>	
NET CURRENT ASSETS			<u>682,072</u>		<u>291,247</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,200,976</u>		<u>5,249,797</u>
Defined benefit pension scheme liability	23		<u>(3,438,000)</u>		<u>(1,143,000)</u>
NET ASSETS			<u><u>12,762,976</u></u>		<u><u>4,106,797</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	18	115,891		78,577	
Fixed asset funds	18	15,394,586		4,826,282	
		<u>15,510,477</u>		<u>4,904,859</u>	
Restricted funds excluding pension reserve					
Pension reserve	18	<u>(3,438,000)</u>		<u>(1,143,000)</u>	
Total restricted funds			<u>12,072,477</u>		<u>3,761,859</u>
Unrestricted funds	18		<u>690,499</u>		<u>344,938</u>
TOTAL FUNDS			<u><u>12,762,976</u></u>		<u><u>4,106,797</u></u>

The financial statements on pages 26 to 53 were approved by the Trustees, and authorised for issue, on 19 December 2018 and are signed on their behalf, by:



P Stein
Chair of Trustees

The notes on pages 29 to 53 form part of these financial statements.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	20	372,769	244,417
Cash flows from investing activities:			
Interest received		346	372
Purchase of tangible fixed assets		(20,200)	(136,305)
Capital grants from DfE/ESFA and other capital income		8,000	33,087
Net cash used in investing activities		(11,854)	(102,846)
Change in cash and cash equivalents in the year		360,915	141,571
Cash and cash equivalents brought forward		527,061	385,490
Cash and cash equivalents carried forward	21	887,976	527,061

The notes on pages 29 to 53 form part of these financial statements.

TARKA LEARNING PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2015 (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Tarka Learning Partnership constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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

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

1.4 EXPENDITURE

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

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

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

All expenditure is inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.5 INTANGIBLE FIXED ASSETS AND AMORTISATION

Intangible assets costing £5,000 (previously £1,000) or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £5,000 (previously £1,000) are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	buildings 2% & land 0.8% straight line
Fixtures, fittings and equipment	-	10 - 20% straight line
Computer equipment	-	20 - 33% straight line
	-	

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

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

1.7 DEBTORS

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

1.8 CASH AT BANK AND IN HAND

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.9 LIABILITIES AND PROVISIONS

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

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.11 TAXATION

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

1.12 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income/expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 FUND ACCOUNTING

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

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 with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

1.15 OPERATING LEASES

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

1.16 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an academy trust for Sticklepath Community Primary Academy, Eden Park Academy and Landkey Primary School involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Sticklepath Community Primary Academy, Eden Park Academy and Landkey Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 22.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.17 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing income on behalf of the Devon Teaching School Partnership and The Park Cluster. Payments received and subsequent disbursements to the partnership are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. Reimbursement of administration costs in relation to the income is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in Note 27.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer from local authority on conversion	214,130	(2,879,000)	10,708,115	8,043,245	-
Donations	9,914	59	-	9,973	13,104
Capital Grants	-	9,426	-	9,426	29,363
Transfer in of DPSCITT	-	-	-	-	124,909
	9,914	9,485	-	19,399	167,376
	224,044	(2,869,515)	10,708,115	8,062,644	167,376
Total 2017	134,289	-	33,087	167,376	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Funding for educational operations	223,158	2,449,811	2,672,969	1,996,144
Nursery	208,087	-	208,087	171,110
Devon Primary SCITT	477,647	-	477,647	304,350
	908,892	2,449,811	3,358,703	2,471,604
Total 2017	666,904	1,804,700	2,471,604	

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATION

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	2,056,273	2,056,273	1,596,967
Start up and Conversion Grants	-	138,000	138,000	30,000
Other DfE Group grants	-	239,639	239,639	153,805
	-	2,433,912	2,433,912	1,780,772
Other Government grants				
High Needs	-	15,899	15,899	17,928
Other government grants and funding non capital	79,531	-	79,531	72,835
	79,531	15,899	95,430	90,763
Other income from the academy trust's educational operations				
Internal catering income	47,377	-	47,377	47,028
Other	96,250	-	96,250	77,581
	143,627	-	143,627	124,609
	223,158	2,449,811	2,672,969	1,996,144
Total 2017	191,444	1,804,700	1,996,144	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	7,395	-	7,395	878
External catering	1,848	-	1,848	-
Consultancy	-	-	-	8,754
Fees received	46,700	-	46,700	42,104
Other	27,806	-	27,806	17,264
	83,749	-	83,749	69,000
Total 2017	69,000	-	69,000	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising funds	-	-	5,539	5,539	2,182
Education:					
Direct costs	2,009,587	76,956	243,053	2,329,596	1,779,145
Support costs	373,535	145,873	259,111	778,519	571,130
Nursery:					
Direct costs	157,047	-	1,511	158,558	122,245
Support costs	4,000	-	-	4,000	4,000
Devon Primary SCITT					
Direct costs	182,560	-	189,825	372,385	286,720
Support costs	-	-	35,666	35,666	17,254
	<u>2,726,729</u>	<u>222,829</u>	<u>734,705</u>	<u>3,684,263</u>	<u>2,782,676</u>
Total 2017	<u>2,119,298</u>	<u>168,802</u>	<u>494,576</u>	<u>2,782,676</u>	

6. DIRECT COSTS

	Education £	Nursery £	DPSCITT £	Total 2018 £	Total 2017 £
Pension finance costs	41,000	-	-	41,000	25,000
Educational supplies	67,182	1,511	192,147	260,840	173,840
Staff development	2,809	-	1,138	3,947	1,562
Other costs	81,603	-	-	81,603	74,988
Supply teachers	8,930	-	-	8,930	850
Wages and salaries	1,407,214	157,047	138,524	1,702,785	1,340,547
National insurance	135,797	-	16,517	152,314	121,636
Pension cost	457,646	-	24,059	481,705	344,773
Depreciation	127,415	-	-	127,415	104,914
	<u>2,329,596</u>	<u>158,558</u>	<u>372,385</u>	<u>2,860,539</u>	<u>2,188,110</u>
Total 2017	<u>1,779,145</u>	<u>122,245</u>	<u>286,720</u>	<u>2,188,110</u>	

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. SUPPORT COSTS

	Education	Nursery	DPSCITT	Total 2018	Total 2017
	£	£	£	£	£
Staff development	18,344	-	-	18,344	12,029
Other costs	4,967	-	-	4,967	1,412
Recruitment and support	11,742	-	-	11,742	3,636
Maintenance of premises and equipment	44,935	-	-	44,935	22,317
Cleaning	11,758	-	-	11,758	9,329
Rent and rates	38,400	-	-	38,400	20,942
Energy costs	20,952	-	-	20,952	17,056
Insurance	19,000	-	-	19,000	17,166
Security and transport	9,018	-	4,346	13,364	16,325
Catering	46,113	-	-	46,113	44,509
Technology costs	37,645	-	1,217	38,862	17,725
Office overheads	27,963	-	26,643	54,606	45,087
Legal and professional	33,089	-	-	33,089	13,508
Bank interest and charges	1,876	-	-	1,876	1,784
Governance	38,635	-	-	38,635	8,775
Wages and salaries	296,113	4,000	-	300,113	261,786
National insurance	17,179	-	-	17,179	12,835
Pension cost	60,243	-	3,460	63,703	36,871
Depreciation	40,547	-	-	40,547	29,292
	778,519	4,000	35,666	818,185	592,384
Total 2017	571,130	4,000	17,254	592,384	

8. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	167,961	134,206
Auditors' remuneration - audit	8,500	4,893
Auditors' remuneration - other services	3,160	1,835
Operating lease rentals	4,887	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,002,898	1,602,333
Social security costs	169,493	134,471
Pension costs	545,408	381,644
	<u>2,717,799</u>	<u>2,118,448</u>
Agency staff costs	8,930	850
	<u><u>2,726,729</u></u>	<u><u>2,119,298</u></u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	30	22
Administration and support	77	62
Management	7	6
	<u>114</u>	<u>90</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	24	19
Administration and support	35	33
Management	7	6
	<u>66</u>	<u>58</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	3	1
In the band £90,001 - £100,000	1	1

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS (continued)

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £464,957 (2017: £441,177).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

10. CENTRAL SERVICES

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

11. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: A Cotton (Head Teacher): Remuneration £95,000 - £100,000 (2017: £90,000 - £95,000), Employer's pension contributions £15,000 - £20,000 (2017: £10,000 - £15,000), S Gibson: Remuneration £50,000 - £55,000 (2017: £45,000 - £50,000), Employer's pension contributions £5,000 - £10,000 (2017: £5,000 - £10,000), D Brewer: Remuneration £Nil (2017: £30,000 - £35,000), Employer's pension contributions £Nil (2017: £5,000 - £10,000), G Gratton: Remuneration £40,000 - £45,000 (2017: £Nil), Employer's pension contributions £5,000 - £10,000 (2017: £Nil).

Other related party transactions involving the Trustees are set out in note 26.

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, expenses totalling £2,025 (2017: £792) were reimbursed to 3 Trustees (2017: 1).

12. TRUSTEES' AND OFFICERS' INSURANCE

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

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

13. INTANGIBLE FIXED ASSETS

	Software £
COST	
At 1 September 2017 and 31 August 2018	14,860
AMORTISATION	
At 1 September 2017 and 31 August 2018	14,860
CARRYING AMOUNT	
At 31 August 2018	-

14. TANGIBLE FIXED ASSETS

	Leasehold land and property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
COST				
At 1 September 2017	5,329,693	201,720	102,672	5,634,085
Additions	8,000	-	12,200	20,200
Transfer on conversion	10,708,115	-	-	10,708,115
Disposals	-	-	(873)	(873)
At 31 August 2018	16,045,808	201,720	113,999	16,361,527
DEPRECIATION				
At 1 September 2017	487,991	103,977	83,567	675,535
Charge for the year	128,173	30,169	9,619	167,961
On disposals	-	-	(873)	(873)
At 31 August 2018	616,164	134,146	92,313	842,623
NET BOOK VALUE				
At 31 August 2018	15,429,644	67,574	21,686	15,518,904
At 31 August 2017	4,841,702	97,743	19,105	4,958,550

15. DEBTORS

	2018 £	2017 £
Trade debtors	1,255	258
VAT recoverable	11,346	22,615
Other debtors	470	-
Prepayments and accrued income	356,842	46,826
	369,913	69,699

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	101,196	88,253
Other taxation and social security	75,766	33,665
Other creditors	117,146	88,543
Accruals and deferred income	195,374	95,052
	<u>489,482</u>	<u>305,513</u>
	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	55,147	58,454
Resources deferred during the year	150,045	55,147
Amounts released from previous years	(55,147)	(58,454)
	<u>150,045</u>	<u>55,147</u>
Deferred income at 31 August 2018	150,045	55,147

At the Balance Sheet date the Academy Trust was holding funds received in advance including income from trips due to take place in 2018/19, income from the ESFA in respect of 2018/19 UEFSM (free school meals) and income in respect of ITT trainees.

17. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	<u>1,071,560</u>	<u>547,475</u>
Financial liabilities measured at amortised cost	<u>263,671</u>	<u>216,698</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, accrued income & other debtors.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
DESIGNATED FUNDS						
Fixed asset fund	132,268	-	(7,950)	-	-	124,318
Devon Primary SCITT	122,485	477,647	(408,051)	-	-	192,081
	<u>254,753</u>	<u>477,647</u>	<u>(416,001)</u>	<u>-</u>	<u>-</u>	<u>316,399</u>
UNRESTRICTED GENERAL FUNDS						
General funds	90,185	739,384	(455,469)	-	-	374,100
Total Unrestricted funds	<u>344,938</u>	<u>1,217,031</u>	<u>(871,470)</u>	<u>-</u>	<u>-</u>	<u>690,499</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	70,510	2,056,273	(2,048,935)	(12,200)	-	65,648
High needs funding	-	15,899	(15,899)	-	-	-
Pupil premium	-	136,432	(136,432)	-	-	-
Start up and conversion grants	8,067	138,000	(95,883)	-	-	50,184
Other government grants	-	103,207	(103,207)	-	-	-
Devolved formula capital	-	9,426	(1,426)	(8,000)	-	-
Donations	-	59	-	-	-	59
Pension reserve	(1,143,000)	(2,879,000)	(251,000)	-	835,000	(3,438,000)
	<u>(1,064,423)</u>	<u>(419,704)</u>	<u>(2,652,782)</u>	<u>(20,200)</u>	<u>835,000</u>	<u>(3,322,109)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	3,564,703	10,708,115	(100,998)	-	-	14,171,820
Fixed assets purchased from GAG and other restricted funds	266,746	-	(28,785)	12,200	-	250,161
DfE/ESFA Capital Grants	939,711	-	(22,759)	8,000	-	924,952
Other donations	55,122	-	(7,469)	-	-	47,653
	<u>4,826,282</u>	<u>10,708,115</u>	<u>(160,011)</u>	<u>20,200</u>	<u>-</u>	<u>15,394,586</u>
Total restricted funds	<u>3,761,859</u>	<u>10,288,411</u>	<u>(2,812,793)</u>	<u>-</u>	<u>835,000</u>	<u>12,072,477</u>
Total of funds	<u>4,106,797</u>	<u>11,505,442</u>	<u>(3,684,263)</u>	<u>-</u>	<u>835,000</u>	<u>12,762,976</u>

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

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

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18. STATEMENT OF FUNDS (continued)

- Start Up and Conversion Grant – This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Academy and/or setting up a new Academy.
- Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.
- High Needs Funding - Funding received by the Local Authority to fund further support for students with additional needs.
- Pension reserve – This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.
- Capital Grants – These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.
- Devolved formula capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.
- Fixed assets transferred on conversion – This represents the NBV of buildings / equipment donated the School from the Local Authority on conversion to an Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Newport Community School Primary Academy - Core funds	211,113	168,762
Newport Community School Primary Academy - Re Devon Primary SCITT	192,081	122,485
Newport Community School Primary Academy - Unrestricted Fixed Asset Funds	124,317	132,268
Sticklepath Community Primary Academy	126,393	-
Eden Park Academy	56,351	-
Landkey Primary School	90,169	-
Central	5,966	-
Total before fixed asset fund and pension reserve	806,390	423,515
Restricted fixed asset fund	15,394,586	4,826,282
Pension reserve	(3,438,000)	(1,143,000)
Total	12,762,976	4,106,797

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FOR THE YEAR ENDED 31 AUGUST 2018

18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
Newport Community School Primary Academy	1,693,542	297,342	246,397	339,239	2,576,520	2,623,470
Sticklepath Community Primary Academy	215,557	29,087	7,301	20,867	272,812	-
Eden Park Academy	117,726	18,630	3,975	9,973	150,304	-
Landkey Primary School	98,255	5,023	3,167	20,973	127,418	-
Central	10,652	30,915	-	96,680	138,247	-
	<u>2,135,732</u>	<u>380,997</u>	<u>260,840</u>	<u>487,732</u>	<u>3,265,301</u>	<u>2,623,470</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
DESIGNATED FUNDS						
Fixed asset fund	105,475	2,800	(11,007)	35,000	-	132,268
Kitchen extension fund	35,000	-	-	(35,000)	-	-
Devon Primary SCITT	-	426,459	(303,974)	-	-	122,485
	<u>140,475</u>	<u>429,259</u>	<u>(314,981)</u>	<u>-</u>	<u>-</u>	<u>254,753</u>
GENERAL FUNDS						
General funds	75,038	441,306	(426,159)	-	-	90,185
Total Unrestricted funds	<u>215,513</u>	<u>870,565</u>	<u>(741,140)</u>	<u>-</u>	<u>-</u>	<u>344,938</u>

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18. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General Annual Grant (GAG)	103,732	1,596,967	(1,568,671)	(61,518)	-	70,510
Special needs funding	-	17,928	(17,928)	-	-	-
Pupil premium	-	79,541	(79,541)	-	-	-
Start up grants	-	30,000	(21,933)	-	-	8,067
Other government grants	-	80,264	(80,264)	-	-	-
Pension reserve	(1,176,000)	-	(150,000)	-	183,000	(1,143,000)
	<u>(1,072,268)</u>	<u>1,804,700</u>	<u>(1,918,337)</u>	<u>(61,518)</u>	<u>183,000</u>	<u>(1,064,423)</u>

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion	3,629,066	-	(64,363)	-	-	3,564,703
Fixed assets purchased from GAG and other restricted funds	230,649	-	(25,421)	61,518	-	266,746
DfE/ESFA Capital Grants	955,676	9,363	(25,328)	-	-	939,711
Other donations	39,485	23,724	(8,087)	-	-	55,122
	<u>4,854,876</u>	<u>33,087</u>	<u>(123,199)</u>	<u>61,518</u>	<u>-</u>	<u>4,826,282</u>
Total restricted funds	<u>3,782,608</u>	<u>1,837,787</u>	<u>(2,041,536)</u>	<u>-</u>	<u>183,000</u>	<u>3,761,859</u>
Total of funds	<u>3,998,121</u>	<u>2,708,352</u>	<u>(2,782,676)</u>	<u>-</u>	<u>183,000</u>	<u>4,106,797</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	124,318	-	15,394,586	15,518,904
Current assets	566,181	605,373	-	1,171,554
Creditors due within one year	-	(489,482)	-	(489,482)
Pension scheme liability	-	(3,438,000)	-	(3,438,000)
	<u>690,499</u>	<u>(3,322,109)</u>	<u>15,394,586</u>	<u>12,762,976</u>

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	132,268	-	4,826,282	4,958,550
Current assets	212,670	384,090	-	596,760
Creditors due within one year	-	(305,513)	-	(305,513)
Provisions for liabilities and charges	-	(1,143,000)	-	(1,143,000)
	<u>344,938</u>	<u>(1,064,423)</u>	<u>4,826,282</u>	<u>4,106,797</u>

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	7,821,179	(74,324)
Adjustment for:		
Depreciation charges	167,961	134,206
Interest received	(346)	(372)
(Increase)/decrease in debtors	(305,014)	9,914
Increase in creditors	275,104	58,080
Capital grants from DfE and other capital income	(8,000)	(33,087)
Defined benefit pension scheme cost less contributions payable	210,000	125,000
Defined benefit pension scheme finance cost	41,000	25,000
Defined benefit pension scheme obligation inherited	2,879,000	-
Tangible fixed assets transferred from local authority on conversion	(10,708,115)	-
Net cash provided by operating activities	<u>372,769</u>	<u>244,417</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	887,976	527,061
	<u>887,976</u>	<u>527,061</u>

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

22. CONVERSION TO AN ACADEMY TRUST

On 1 July 2018 Sticklepath Community Primary Academy, Eden Park Academy and Landkey Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tarka Learning Partnership from Devon County Council for £NIL consideration.

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

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Freehold/leasehold land and buildings	-	-	10,708,115	10,708,115
Budget surplus on LA funds	214,130	-	-	214,130
LGPS pension surplus/(deficit)	-	(2,879,000)	-	(2,879,000)
Net assets	<u>214,130</u>	<u>(2,879,000)</u>	<u>10,708,115</u>	<u>8,043,245</u>

The above net assets include £214,130 that will be transferred as cash. As at the year end this had not been received by the Academy Trust.

23. PENSION COMMITMENTS

The Academy 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 Devon County Council. Both are multi-employer Defined Benefit Pension Schemes.

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £209,408 (2017: £158,069).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, 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 2018 was £167,784 (2017: £135,000), of which employer's contributions totalled £126,000 (2017: £99,000) and employees' contributions totalled £48,580 (2017: £37,000). The agreed contribution rates for future years are 15.4% plus £68,000 per annum for employers and 5.5 - 10.5% 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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %

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23. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	23.5	23.4
Females	25.6	25.5
Retiring in 20 years		
Males	25.8	25.7
Females	28.0	27.9

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis (on present value of scheme obligations)		
Discount rate +0.1%	(170,000)	(54,000)
Discount rate -0.1%	175,000	55,000
Mortality assumption - 1 year increase	201,000	63,000
Mortality assumption - 1 year decrease	(195,000)	(61,000)
CPI rate +0.1%	28,000	9,000
CPI rate -0.1%	(27,000)	(9,000)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities and gilts	1,814,000	517,000
Debt instruments	56,000	21,000
Property	258,000	73,000
Cash	44,000	20,000
Target return portfolio	407,000	124,000
Infrastructure and alternative assets	249,000	77,000
Private equity	29,000	-
Total market value of assets	2,857,000	832,000

The actual return on scheme assets was £54,000 (2017: £97,000).

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23. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Current service cost	(336,000)	(239,000)
Interest income	31,000	17,000
Interest cost	(72,000)	(42,000)
Pension deficit transferred to the Academy Trust on conversion (see note 22)	(2,879,000)	-
Total	<u>(3,256,000)</u>	<u>(264,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	1,975,000	1,910,000
Transferred in on existing schools joining the trust	4,684,000	-
Current service cost	336,000	239,000
Interest cost	72,000	42,000
Employee contributions	49,000	37,000
Actuarial gains	(813,000)	(257,000)
Benefits paid	(8,000)	4,000
Closing defined benefit obligation	<u>6,295,000</u>	<u>1,975,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	832,000	734,000
Transferred in on existing schools joining the trust	1,805,000	-
Interest income	32,000	18,000
Actuarial gains/(losses)	22,000	(74,000)
Employer contributions	126,000	114,000
Employee contributions	49,000	37,000
Benefits paid	(8,000)	4,000
Administration expense	(1,000)	(1,000)
Closing fair value of scheme assets	<u>2,857,000</u>	<u>832,000</u>

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	19,552	-
Between 1 and 5 years	28,932	-
	<hr/>	<hr/>
Total	48,484	-
	<hr/>	<hr/>

25. 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.

26. GENERAL INFORMATION

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

27. RELATED PARTY TRANSACTIONS

Other than as detailed below, no related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.

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

The following related party transactions took place in the year:

K Hayles - spouse of Trustee A Cotton. K Hayles is employed by Eden Park Academy, a school which joined the Academy Trust during the year. Remuneration totalling £7,424 and employer's pension contributions of £1,223 was paid through the payroll while the school was part of the Academy Trust. There were no amounts outstanding at the year end.

TARKA LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
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28. AGENCY ARRANGEMENTS

The Academy Trust distributes income received on behalf of the Devon Teaching School Partnership in accordance with the Devon Teaching School Partnership instructions. In the year ended 31 August 2018 the Academy Trust received £71,885 (2017: £70,501) and distributed £90,680 (2017: £81,595) on behalf of the partnership. At 31 August 2018 an amount of £34,641 (2017: £53,436) was included in other creditors relating to undistributed funds that is payable to the Devon Teaching School Partnership.

The Academy Trust distributes music grant received on behalf of The Park Cluster in accordance with the Devon Teaching School Partnership instructions. In the year ended 31 August 2018 the Academy Trust received £3,724 (2017: £5,541) and distributed £4,467 (2017: £1,396) on behalf of the partnership. At 31 August 2018 an amount of £3,612 (2017: £4,145) was included in other creditors relating to undistributed funds that is payable to The Park Cluster.

29. SCITT TRADING ACCOUNT

	2018 £	2018 £	2017 £	2017 £
INCOME				
DIRECT INCOME				
Tuition fees	424,048		266,500	
OTHER INCOME				
Other	53,599		159,959	
TOTAL INCOME		477,647		426,459
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	179,100		158,595	
Course expenses	179,349		120,821	
Other direct costs	13,936		14,900	
Other staff costs	3,460		-	
Other supports costs	32,206		9,658	
TOTAL EXPENDITURE		408,051		303,974
SURPLUS FROM ALL SOURCES		69,596		122,485
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		122,485		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		<u>192,081</u>		<u>122,485</u>