



# financial statements

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**Goldington Green Academy**

**Company Limited by Guarantee**

For the year ended: 31 August 2014

Company registration number: 08434141

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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

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**Members**

Mrs Elizabeth Arden, Chair & Parent Governor<sup>1</sup>  
Mr Robin Francis, Vice-Chair & Appointed Governor  
Mrs Stephanie Field, Parent Governor  
Mrs Julie Hazell, Parent Governor (resigned 12 February 2014)<sup>1</sup>  
Mrs Brenda Sackett, Parent Governor (resigned 26 June 2014)  
Mrs Vicki Carter, Parent Governor (appointed 24 February 2014)  
Mrs Sara Redmond, Appointed Governor<sup>2</sup>  
Mrs Irene Woodridge, Appointed Governor  
Mr Andrew Carter, Appointed Governor<sup>1,2</sup>  
Rev Richard Howlett, Appointed Governor  
Mr Bernard Jones, Appointed Governor (resigned 26 June 2014)<sup>1,2</sup>  
Mr Ian Hedley, Appointed Governor  
Mr Martin Trinder, Appointed Governor<sup>1,2</sup>  
Mr Marc Bungard, Appointed Governor (appointed 26 June 2014)<sup>1,2</sup>  
Mrs Caroline Skingsley, Headteacher and Staff Governor<sup>1,2</sup>  
Miss Rachel Clay, Deputy Headteacher and Staff Governor<sup>1,2</sup>  
Mrs Pip Jones, School Business Manager and Staff Governor<sup>1,2</sup>  
Mrs Jane Jackson, Staff Governor  
Mrs Claire Peck, Staff Governor (resigned 26 November 2013)  
Mrs Michaela Viola, Staff Governor (appointed 13 December 2013)<sup>1,2</sup>

<sup>1</sup> Finance and General Purposes Committee  
<sup>2</sup> Audit Committee

**Company registered  
number** 08434141

**Principal and registered  
office** Goldington Road  
Bedford  
MK41 0DP

**Chair of Governors** Elizabeth J Arden

**Senior Leadership Team**

Mrs Caroline Skingsley, Headteacher and Accounting Officer  
Miss Rachel Clay, Deputy Headteacher  
Miss Nicola Harris, Assistant Headteacher  
Mrs Claire Peck, Assistant Headteacher  
Mrs Liz Turner, Assistant Headteacher  
Mrs M Viola, Assistant Headteacher  
Mrs Tracy Wilson, EAL Manager  
Mrs Pip Jones, School Business Manager

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

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**Administrative details (continued)**

<b>Independent auditors</b>	MHA MacIntyre Hudson Chartered Accountants Equipoise House Grove Place Bedford MK40 3LE
<b>Bankers</b>	National Westminster Plc 81 High Street Bedford MK40 1YN
<b>Solicitors</b>	Stone King 13 Queen Square Bath BA1 2HJ
<b>Insurers</b>	Zurich Municipal Zurich House 2 Gladiator Ways Farnborough Hampshire GU14 6GB

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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The Governors (who are also the directors and trustees of Goldington Green Academy) present their annual report together with the audited financial statements of Goldington Green Academy (the Academy) for the ended 31 August 2014. The Governors confirm that the Annual Report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**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 Charitable Company was incorporated on 7 March 2013 and Goldington Green Lower School converted to an Academy on 1 April 2013.

All of the Governors act as the Trustees for the charitable activities of Goldington Green Academy and as Directors of the Charitable Company for the purposes of Company Law. The Charitable Company is known as Goldington Green Academy. The initial Members of the Academy Trust were the subscribers to the Memorandum of Association (and such Members are also Governors). All subsequent Governors are also Members of the Academy Trust under the terms of the Articles of Association.

**MEMBERS' LIABILITY**

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

**GOVERNORS' INDEMNITY INSURANCE**

In accordance with normal practice, the Academy has purchased insurance to protect the Governors and officers of the Academy from claims arising from negligent acts errors or omissions whilst on Academy business. The cover under the policy is £5,000,000 and in the period under review no sums were paid out.

**METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS**

Goldington Green Academy Governors are appointed or elected in various ways depending on the type of post they are holding.

In addition to their overall role as Governors, Goldington Green Academy Governors are appointed or elected for the purpose of ensuring that the character of the Academy is preserved and developed. They are also appointed to ensure that the Academy's affairs are conducted in accordance with the Academy's governing documents as well as any trust deed relating to the Academy.

The various types of Governors of the Academy are:

*Parent Governors*

The Articles of Association require that there shall be a minimum of two and up to six Parent Governors. Parents, including carers, of pupils registered at the Academy are eligible to stand as individuals for election as a Parent Governor. They are elected by other parents at the Academy as individuals who are representative of the

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**GOLDINGTON GREEN ACADEMY**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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parental body. Suitable procedures have been put in place for the conduct of Parent Governor elections.

If insufficient parents stand for election, the Governing Body must appoint Parent Governors to bring their number up to that required by the Articles of Association. Such appointed Parent Governors would preferentially be parents or carers of pupils registered at the Academy. If, however, no such parents are willing to undertake the role then the Governing Body can appoint any person who is the parent or carer of one or more school-age children.

*Staff Governors*

A minimum of two and up to four Staff Governors are elected by the Academy staff as individuals, representative of the staff of the Academy. Both teaching and support staff paid to work at the Academy are eligible for staff governorship.

*Appointed Community Governors*

A minimum of four and up to eight Governors from the community can be appointed by the Governing Body. These Community Governors can be people who live or work in the community served by the Academy, or people who live outside of the immediate area and who are committed to the good governance and success of the Academy. They bring a range of experience and a diversity of different backgrounds which helps the academy in its decision making.

Vacancies for Appointed Community Governors will be posted on the Academy website. Anyone expressing an interest in becoming an Appointed Community Governor will be asked to provide an appropriate curriculum vitae with their letter of application. Following an informal interview with the Chair and Headteacher each application will be considered by the Governing Body.

*Co-opted Governors*

The Governors may also appoint up to two co-opted Governors to serve on the Governing Body but have not yet done so.

The Articles also provide that at no time must the total number of Governors who are employees of Goldington Green Academy (including the Headteacher) exceed one third of the total number of Governors.

**POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS**

Following their appointment/election, all new governors receive an introduction to their role from the Chair and Headteacher. This introduction includes tours of the Academy site and the opportunity to meet other members of staff.

The Governing Body at Goldington Green Academy is committed to providing adequate opportunities for Governors to undertake and receive suitable training so as to enable them to undertake their role more effectively.

To this end the Governing Body maintains a Service Level Agreement with Bedford Borough Council Governor Services Department. This Agreement allows for any or all of the members of the Governing Body to attend any of the training courses provide by Bedford Borough Council.

All new Governors are actively encouraged to take advantage of this Agreement so as to gain a better understanding of the role and responsibilities of being a school Governor. Additionally Governors with specific roles within the Governing Body are strongly encouraged to undertake specific training.

There is a nominated Link Governor who acts as liaison between Bedford Borough Governor Services and the Governing Body.

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**GOLDINGTON GREEN ACADEMY**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**ORGANISATIONAL STRUCTURE**

At Goldington Green Academy the majority of the roles and responsibilities of the Governing Body have been delegated to a small number of sub-committees. The full Governing Body has retained responsibility for certain aspects, again as defined in the Governance Structure and General Policy Statement of aims and objectives.

Members of the Senior Leadership Team (SLT), in addition to the Headteacher, attend Governors' meetings as appropriate.

The Governors are responsible for the strategic management of the Academy; deciding and setting key aspects of the Academy, including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Headteacher and staff. The latter is carried out at a number of levels; i.e. by the Senior Leadership Team and Middle Leaders Team.

Academy policies are developed by senior members of the Academy staff, to reflect both the strategic direction agreed by the Governors and also statutory requirements. These policies are approved and adopted by the Governing Body, and implemented as procedures and systems by the SLT and other designated members of staff.

The Senior Leadership Team are the Headteacher, Deputy Headteacher, the School Business Manager, English as a Foreign Language (EAL) Manager and four Assistant Headteachers. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for senior posts may contain a Governor.

Some spending control is devolved to middle managers, governed by agreed spending limits. The middle managers team includes subject leaders. These leaders are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

During the period 1 September 2013 until 31 August 2014 the full Governing Body met five times.

**CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

This is a collaboration of schools in the Mark Rutherford School Pyramid comprising Member schools:

- Newnham Middle School
- Putnoe Primary School
- Castle Lower School
- Hazeldene Lower School
- The Hills Academy
- Goldington Academy

The idea is for the schools to work alongside and within the local community by having regard to the obligations set out by the (National) Government through its Community Cohesion Agenda and the Extended Schools Framework, in order to:

- Promote work to support teaching and learning by sharing good and outstanding practice;
- Further develop systems of transition between phases to ensure greater coherence, continuity and progression in learning. Work together with the other schools and with local community organisations to increase the support for parents offered by extended schooling, providing a greater range of high quality specialist after school provision to meet the needs and interests of all children;
- Make available educational opportunities for everyone in the community to access lifelong learning; and
- Provide high quality professional development for all staff closely focused on the priorities of the schools.

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

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The school works closely with the local authority, Bedford Borough Council, to ensure that it is providing the best services and education opportunities for the pupils, incorporating the LA primary Autistic Provision within our school.

Governors and all staff are required to declare pecuniary and related party interests annually and these records are held by the Clerk to Governors. Governors also have the opportunity to declare an interest in items on the agenda at the start of each Governing Body and sub-committee meeting.

**Objectives and Activities**

**OBJECTS AND AIMS**

The principal object and activity of Goldington Green Academy is the operation of the Academy to provide education for pupils of different abilities between the ages of 4 and 9 years, drawn mostly from its catchment area and feeder schools, as defined by the Local Authority.

The Governing Body is committed to the principle of maintaining the comprehensive character of the Academy and as such there are no specific aptitude requirements for prospective pupils.

**OBJECTIVES, STRATEGIES AND ACTIVITIES**

The curriculum complies with the substance of the new National Curriculum. The main objectives of the Academy during the period ended 31 August 2014 are summarised below:

**Aims**

All pupils have a right to a broad, balanced and relevant education which provides continuity and progression and takes individual differences into account. Work in school should be designed to meet the requirements of the National Curriculum.

*The Academy should:*

- cater for the needs of individual pupils of both sexes from all ethnic and social groups, including the most able and those who are experiencing learning difficulties;
- facilitate pupils acquisition of knowledge, skills and qualities which will help them to develop intellectually, emotionally, socially, physically, morally and aesthetically, so that they may become independent, responsible, useful, thinking, confident and considerate members of the community;
- create and maintain an exciting and stimulating learning environment;
- ensure that each pupil's education has continuity and progression;
- ensure that there is a match between the pupil and the tasks he/she is asked to perform;
- provide an appropriate curricular balance amongst the competing and sometimes conflicting aims of education;
- recognise the crucial role which parents play in their child's education and make every effort to encourage parental involvement in the educational process;
- treat pupils in a dignified way;
- provide opportunities for pupils to develop themselves as creative thinkers, reflective learners, team workers, independent enquirers, effective participators and self-managers.



**Academy Development Plan Objectives for the Academic Year 2014/15**

Our six core priorities are:

- From each different starting point all pupils make at least good progress, and each year group achieves end of year targets. To develop leadership knowledge and skills at all levels of the new SEND Code of Practice so that that all pupils make at least good progress so that any underachievement is addressed with rigor.
- To continue to close the Pupil Premium gap through effective use of Pupil Premium, AfA and the development of family engagement
- Through rigorous leadership maintain and improve the quality and consistency of teaching and learning so that by July 2015 at least 95% of teaching is securely good and 30% is outstanding.
- To implement the new curriculum and assessment expectations whilst ensuring that the outcomes are closely matched to the needs and interests of the children. To develop our writing, including Big Write across the school, to make sure the children become confident and successful writers
- To raise attainment in maths to match the current literacy levels through the implementation of the new national curriculum, robust links to maths in real life, the identification of opportunities for 'reasoning and problem solving', and quality maths across the curriculum.
- SLT and Governors to monitor the inclusion of Conifer Class and manage the transition to primary / increase nursery provision / change the school day for more effective whole school CPD.

**PUBLIC BENEFIT**

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit.

The Academy is a non-profit organisation that currently provides a free education for the benefit of children between 4 and 9 years age. When oversubscribed, admissions to the Academy are administered according to its published Admissions Criteria.

The key public benefit delivered by Goldington Green Academy is the maintenance and development of the high quality education to the children of Goldington Green Community.

In doing this Goldington Green Academy not only offers a broadly-based academic education but aims to educate the whole individual. A very wide-range of extra-curricular activities, educational trips and visits are offered and undertaken by our children.

In particular, in respect of Internationalism Mindedness, the Academy has achieved the International Schools Award. This award recognises that we ensure the children engage in many enriching activities.

We have developed links with schools in the following countries – China and Africa.

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**Strategic Report**

**Achievements and performance**

**REVIEW OF ACTIVITIES (INCORPORATING KEY PERFORMANCE INDICATORS)**

The Academy has continued to have a full complement of pupils in most year groups throughout the year, with 459 pupils on roll at the end of the academic year (31 August 2014).

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**GOLDINGTON GREEN ACADEMY**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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The Academy implements a routine programme of assessment, monitoring and reporting to ensure that standards are continually raised.

Assessment activities include baseline testing at the beginning of each year, such as Group Reading Tests, Cognitive Ability Tests and in-house teacher assessments followed by end of term teacher assessments and year end tests, Phonics screening and Qualification and Curriculum Authority tests. Each Year Group develops and implements Raising Achievement Plans and, along with members of the Senior Leadership Team, undertake Pupil Progress Meetings with teaching colleagues. Targets are set for all pupils, informed using a range of assessment data, and nationally accepted statistics. Pupils' progress is regularly reviewed against these targets, which are updated as appropriate. The Academy is also visited by external assessors or inspectors.

Monitoring takes place through lesson observations, peer observations, planning and book scrutiny, appraisal reviews, pupil discussions and learning walks, all of which involve professional feedback to staff.

Reporting to students and parents is on-going throughout the year, both informally (e.g. in the marking of work) and formally in Pupil Progress Summary Sheets, which are shared with parents at Consultation Evenings that occur twice each year, and in pupils' Annual Reports.

**Attainment and Standards - Goldington Green Academy (formerly Goldington Green Lower School) data for 2012 - 2014:**

**Key Stage 1: APS**

<b>APS scores</b>	<b>2012 National</b>		<b>2013 National</b>		<b>2014 National</b>	
<b>All subjects</b>	<b>15.6</b>	<b>15.5</b>	<b>15.9</b>	<b>15.5</b>	<b>16.7</b>	<b>15.8</b>
<b>Reading</b>	<b>16.1</b>	<b>16.0</b>	<b>16.3</b>	<b>16.0</b>	<b>17.44</b>	<b>16.3</b>
<b>Writing</b>	<b>14.8</b>	<b>14.7</b>	<b>15.3</b>	<b>14.7</b>	<b>16.02</b>	<b>14.9</b>
<b>Mathematics</b>	<b>15.8</b>	<b>15.9</b>	<b>16.0</b>	<b>15.9</b>	<b>16.72</b>	<b>16.1</b>

**Key Stage 2 Attainment Summary: APS summary for end Y4 for All subjects, EN,R,W and MA 2012 - 2014.**

<b>APS scores</b>	<b>2012 National</b>		<b>2013 National</b>		<b>2014 National</b>	
<b>1.5+-</b>						
<b>All subjects</b>	<b>22.4</b>	<b>21.4(27.5)</b>	<b>22.06</b>	<b>21.4</b>	<b>23.1</b>	<b>21.5</b>
<b>Reading</b>	<b>23.2</b>	<b>21.9(28.1)</b>	<b>23.1</b>	<b>22.0</b>	<b>23.7</b>	<b>22.0</b>
<b>Writing</b>	<b>21.4</b>	<b>20.4(26.4)</b>	<b>21.09</b>	<b>20.4</b>	<b>22.3</b>	<b>20.7</b>
<b>Mathematics</b>	<b>22.5</b>	<b>21.6(27.6)</b>	<b>22.0</b>	<b>21.9</b>	<b>23.3</b>	<b>21.9</b>

**GOING CONCERN**

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

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

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**Financial review**

**REVIEW OF PERIOD**

Most of the School's income is obtained from the Education Funding Agency (EFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The grants received from the EFA and other government bodies during the period and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The total income for the period was £2,285,689 which includes capital funds of £319,021.

Expenditure includes staff costs of £1,351,686 which represents 85.52% of GAG income and 71.2% of GAG income including other grants and funding for educational purposes (excluding capital grants).

The excess of expenditure over income for the year, excluding the fixed asset fund and the pension reserve, was £71,130.

At 31 August 2014, the School had total funds of £3,936,245. This includes £4,110,449 of restricted fixed asset funds. The pension reserve balance, relating to the Local Government defined benefit scheme for non-teaching staff, was in deficit by £172,000 at 31 August 2014 and is included within restricted funds.

**RESERVES POLICY**

Pension

The deficit on the pension reserve relates to the non-teaching staff pension scheme (Local Government Pension Scheme) where, unlike the teachers scheme, the deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

General

The Governors review the reserve levels of the Academy, regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors will keep the level of free reserves under review to ensure sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £46,807. However during 2013/14 there has been considerable expenditure which has been possible due to the availability of carried forward funds from the previous year. This has resulted in a deficit on GAG funds carried forward as at 31 August 2014. The Governors will be monitoring the current budget closely during 2014/15 to ensure that this deficit is minimised. This is assisted by the level of free reserves available for use in the current year.

At 31 August 2014, the total net assets of Goldington Green Academy were £3,936,245. The funds comprised: Unrestricted funds of £46,807; restricted fixed asset fund of £4,110,449; a GAG restricted fund deficit of £68,209; other restricted funds of £19,198; and a pension reserve deficit of £172,000.

The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors.

**INVESTMENT POLICY**

The Academy currently has no investments, except for deposits in interest bearing accounts.

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**GOLDINGTON GREEN ACADEMY**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The objective of the Academy's risk management procedure is to identify the principal risks facing the Academy so that existing controls may be considered and further action taken if required, including external insurance.

The principal risks identified by the Governing Body include governance, statutory compliance, finance, insurance, attendance, behaviour, health and safety, organisation, operation, safeguarding, reputation, HR and ICT.

The Governing Body has a comprehensive risk management process to identify and monitor the risks faced by the Academy.

**FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

Since converting to an Academy on 1 April 2013 the Governors have worked actively to implement new financial and risk practices. A business risk management process has been introduced, informed by the Academies Financial Handbook. Risks are being identified, categorised and considered and appropriate control measures implemented. This exercise is on-going.

Policies are routinely reviewed by senior staff and Governors. Operational systems and procedures are embedded throughout the school in order to minimise risk.

The Academy has an effective system of internal control in The Risk and Control Framework section of the Governance Statement. Where significant financial risk remains Governors have ensured they have adequate insurance cover.

**Plans for future periods**

**FUTURE DEVELOPMENTS**

Our aspirations are to develop and maintain the Academy site depending on EFA capital bids and in the long term to become a full primary school.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

During the period 1 September 2013 to 31 August 2014, Goldington Green Academy did not hold any funds as a custodian trustee on behalf of any charitable organisation.

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**GOLDINGTON GREEN ACADEMY**  
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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

**AUDITORS**

MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report, incorporating the Strategic Report, was approved by order of the Governing Body, as the company directors, on 25/11/14 and signed on the board's behalf by:



.....  
**Elizabeth Arden**  
Chair of Governors

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**GOLDINGTON GREEN ACADEMY**  
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**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014**

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**SCOPE OF RESPONSIBILITY**

As Governors, we acknowledge we have overall responsibility for ensuring that Goldington Green Academy 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 Governing Body has delegated the day-to-day responsibility to the Headteacher, 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 Goldington Green Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

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

Governor	Meetings attended	Out of a possible
Mrs Elizabeth Arden, Chair & Parent Governor	5	5
Mr Robin Francis, Vice-Chair & Appointed Governor	4	5
Mrs Stephanie Field, Parent Governor	5	5
Mrs Julie Hazell, Parent Governor	0	0
Mrs Brenda Sackett, Parent Governor	0	5
Mrs Vicki Carter, Parent Governor	2	2
Mrs Sara Redmond, Appointed Governor	4	5
Mrs Irene Woodridge, Appointed Governor	3	5
Mr Andrew Carter, Appointed Governor	3	5
Rev Richard Howlett, Appointed Governor	3	5
Mr Bernard Jones, Appointed Governor	5	5
Mr Ian Hedley, Appointed Governor	4	5
Mr Martin Trinder, Appointed Governor	5	5
Mr Marc Bungard, Appointed Governor	0	0
Mrs Caroline Skingsley, Headteacher and Staff Governor	5	5
Miss Rachel Clay, Deputy Headteacher and Staff Governor	5	5
Mrs Pip Jones, School Business Manager and Staff Governor	5	5
Mrs Jane Jackson, Staff Governor	4	2
Mrs Claire Peck, Staff Governor	1	1
Mrs Michaela Viola, Staff Governor	5	5

During this period 1 staff governor and 2 parent governors resigned.  
During this period 3 governors were re-appointed and 2 parent governors were re-elected.

**Governance reviews:**

The Academy is constantly reviewing its effectiveness as part of its day to day business; each year it conducts a review of governor skills to ensure it has the right skill set as much as possible and identify training needs.

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**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014 (continued)**

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As part of the January and March full Governing Body meetings this year a detailed review was carried out of the work of the Academy. Governors were asked to consider what the Academy did well, how we knew we were doing it well, what we need to improve on and what was being done to ensure improvement. The areas looked at were taken from the Ofsted judgement of the Quality of leadership in and management of the school and ranged from the strategic direction of the Academy to the review of how we monitored Pupil Premium, standards and financial matters.

The results of the review were positive. The Governors felt that the Governing Body needed to ensure it had more self-reflection times at full Governing Body meetings and this is now being implemented. Continuing Professional Development (CPD) was identified as an important area to work on and as a result training on Finance, 'Raise on line', SEND has been organised and delivered to the Governors. In addition, five Governors have recently attended safeguarding training and all Governors have been required updated their Equality and Diversity training.

An annual Strategy Day also gives an opportunity to reflect on the year, consider what has gone well and plan for the next year. The annual Strategy Day also allows review of the previous School Development Plan priorities and discuss and set the new priorities for the next academic year. Our School Improvement Adviser / Consultant is also invited to these days in order to provide an external perspective on areas of strength and those for development.

The Academy continues to provide challenge through Governor visits, monitoring of priorities, questions raised on the Headteacher's reports and in committees on all aspects of school life.

It is intended to carry out another detailed review in the spring term of next year.

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to monitor the schools budget and the commitments income and expenditure.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs Elizabeth Arden	7	7
Mr Andrew Carter	5	7
Miss Rachel Clay	5	7
Mr Bernard Jones	5	7
Mrs Pip Jones	7	7
Mrs Caroline Skingsley	7	7
Mr Martin Trinder	5	7
Mrs Michaela Viola	7	7

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014 (continued)**

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The Audit Committee is also a sub-committee of the main Governing Body. Its purpose is:

- To advise the full Governing Body on the adequacy and effectiveness of the Academy's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).
- To advise the full Governing Body on the appointment, re-appointment, dismissal and remuneration of the Internal Auditor (IA) or the External Auditor (EA).
- To advise the full Governing Body on the scope and objectives of the work of the IA and the EA taking appropriate external professional advice if necessary.
- To consider and advise the full Governing Body on the audit strategy, needs assessment and annual internal audit plans for the IA.
- To advise the full Governing Body on the IA's termly reports and annual report and on control issues and the Academy's responses to these.
- To monitor, within an agreed timescale, the implementation of agreed recommendations relating to any IA report.
- To consider and advise the governing body on relevant reports by the National Audit Office (NAO), the LSC and other funding bodies.
- To be informed of all additional services undertaken by the IA, and the EA.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs Elizabeth Arden	3	3
Mr Andrew Carter	2	2
Miss Rachel Clay	2	3
Mrs Julie Hazell	0	0
Mr Bernard Jones	1	3
Mrs Pip Jones	3	3
Mrs Sara Redmond	3	3
Mrs Caroline Skingsley	3	3
Mrs Michaela Viola	3	3

The meetings of the audit committee are also attended by Mr Paul Bowker as the Internal Auditor.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Goldington Green Academy for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.



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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014 (continued)**

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**CAPACITY TO HANDLE RISK**

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The Governing Body has considered the need for a specific internal audit function and has decided to appoint Mr Paul Bowker and Associates as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a semi-annual basis, the internal auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

During this period a visit in March 2014 has taken place as planned and no material control issues were identified in the Internal Auditor's review reports.

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014 (continued)**

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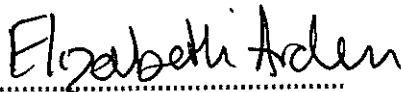
**REVIEW OF EFFECTIVENESS**

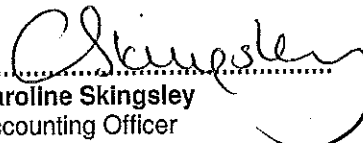
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 25/11/14 and signed on its behalf, by:

  
.....  
**Elizabeth Arden**  
Chair of Governors

  
.....  
**Caroline Skingsley**  
Accounting Officer

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**YEAR ENDED 31 AUGUST 2014**

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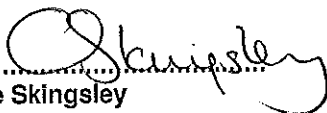
As Accounting Officer of Goldington Green Academy I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the Academy Governing Body are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2013).

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and EFA. If any instances are identified after the date of this statement, these will be notified to the Governing Body and EFA:

- During the year, supplies and services amounting to a total of £55,325 were purchased from KGI Property Maintenance and Furniture Installation Specialists which is a related party to one of the Staff Governors, Mrs Pip Jones.

The requirements of the Academies Financial Handbook 2013 2.6.2 and 2.6.4 in relation to procurement of services from individuals and organisations connected to Governors were not followed in the purchase of these services. The supplies purchased and services provided during the year were all individual invoices for less than £10,000 and there was no formal tendering process. The requirements to ensure that goods and services were properly procured was not demonstrated and there was no confirmation that the charges do not exceed the cost of supply. Details are provided in Note 26 to the financial statements.

  
.....  
**Caroline Skingsley**  
Accounting Officer

Date: ..... 25.11.14 .....

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

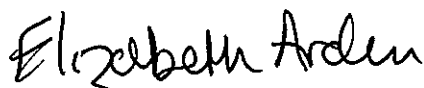
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

The Governors 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 Governing Body and signed on its behalf by:



.....  
Elizabeth Arden  
Chair of Governors

Date: 25<sup>th</sup> November 2014

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF GOLDINGTON GREEN ACADEMY**

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We have audited the financial statements of Goldington Green Academy for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS**

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

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF GOLDINGTON GREEN ACADEMY**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



Atul Kariya FCGA (Senior Statutory Auditor)  
for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors  
Equipoise House  
Grove Place  
Bedford  
MK40 3LE

Date: 08 December 2018

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
GOLDINGTON GREEN ACADEMY AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 23 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Goldington Green Academy during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF GOLDINGTON GREEN ACADEMY'S ACCOUNTING OFFICER AND  
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Goldington Green Academy's funding agreement with the Secretary of State for Education dated March 2013, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
GOLDINGTON GREEN ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

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The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

**CONCLUSION**

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Matter 1:*

During the year, supplies and services amounting to a total of £55,325 were purchased from KGI Property Maintenance and Furniture Installation Specialists which is a related party to one of the Staff Governors, Mrs Pip Jones.

The requirements of the Academies Financial Handbook 2013 2.6.2 and 2.6.4 in relation to procurement of services from individuals and organisations connected to Governors were not followed in the purchase of these services. The supplies purchased and services provided during the year were all individual invoices for less than £10,000 and there was no formal tendering process. The requirements to ensure that goods and services were properly procured was not demonstrated and there was no confirmation that the charges do not exceed the cost of supply. Details are provided in Note 26 to the financial statements.

*MHA MacIntyre Hudson*

Reporting Accountant

**MHA MacIntyre Hudson**  
Chartered Accountants

Equipoise House  
Grove Place  
Bedford  
MK40 3LE

Date: *01 December 2014*



**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	4,645	1,500	-	6,145	3,872,697
Activities for generating funds	3	35,883	1,434	-	37,317	20,010
Investment income	4	869	-	-	869	111
Incoming resources from charitable activities	5	-	1,922,337	319,021	2,241,358	807,797
<b>TOTAL INCOMING RESOURCES</b>		<b>41,397</b>	<b>1,925,271</b>	<b>319,021</b>	<b>2,285,689</b>	<b>4,700,615</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities	7	30,490	1,927,405	89,192	2,047,087	797,692
Governance costs	8	-	14,319	-	14,319	25,961
Other resources expended	9	-	-	-	-	179,000
Pension scheme liability transferred on conversion		-	-	-	-	179,000
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>30,490</b>	<b>1,941,724</b>	<b>89,192</b>	<b>2,061,406</b>	<b>1,002,653</b>
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS</b>		<b>10,907</b>	<b>(16,453)</b>	<b>229,829</b>	<b>224,283</b>	<b>3,697,962</b>

**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
Transfers between Funds	17	-	(65,584)	65,584	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>10,907</b>	<b>(82,037)</b>	<b>295,413</b>	<b>224,283</b>	<b>3,697,962</b>
Actuarial gains and losses on defined benefit pension schemes		-	4,000	-	4,000	10,000
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>10,907</b>	<b>(78,037)</b>	<b>295,413</b>	<b>228,283</b>	<b>3,707,962</b>
Total funds at 1 September 2013		35,900	(142,974)	3,815,036	3,707,962	-
<b>TOTAL FUNDS AT 31 AUGUST 2014</b>		<b>46,807</b>	<b>(221,011)</b>	<b>4,110,449</b>	<b>3,936,245</b>	<b>3,707,962</b>

All activities relate to continuing operations.

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

The notes on pages 27 to 49 form part of these financial statements.

**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08434141**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Tangible assets	14		4,110,449		3,771,459
<b>CURRENT ASSETS</b>					
Debtors	15	66,226		130,642	
Cash at bank and in hand		75,873		87,596	
		<u>142,099</u>		<u>218,238</u>	
<b>CREDITORS: amounts falling due within one year</b>	16	<u>(144,303)</u>		<u>(108,735)</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(2,204)</u>		<u>109,503</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,108,245</u>		<u>3,880,962</u>
Defined benefit pension scheme liability	24		<u>(172,000)</u>		<u>(173,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>3,936,245</u></u>		<u><u>3,707,962</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	17	(49,011)		30,026	
Restricted fixed asset funds	17	4,110,449		3,815,036	
		<u>4,061,438</u>		<u>3,845,062</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(172,000)</u>		<u>(173,000)</u>	
Total restricted funds			<u>3,889,438</u>		<u>3,672,062</u>
Unrestricted funds	17		<u>46,807</u>		<u>35,900</u>
<b>TOTAL FUNDS</b>			<u><u>3,936,245</u></u>		<u><u>3,707,962</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 25 November 2014 and are signed on their behalf, by:

  
 Elizabeth Arden  
 Chair of Governors

The notes on pages 27 to 49 form part of these financial statements.

**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	31 August 2014 £	5 month period ended 31 August 2013 £
Net cash flow from operating activities	19	96,567	(13,874)
Returns on investments and servicing of finance	20	869	111
Capital expenditure and financial investment	20	(109,159)	(1,131)
Cash transferred on conversion to an academy trust		-	70,683
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(11,723)</b>	<b>55,789</b>

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

	31 August 2014 £	5 month period ended 31 August 2013 £
(Decrease)/Increase in cash in the year	(11,723)	55,789
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>(11,723)</b>	<b>55,789</b>
Net funds at 1 September 2013	87,596	31,807
<b>NET FUNDS AT 31 AUGUST 2014</b>	<b>75,873</b>	<b>87,596</b>

The notes on pages 27 to 49 form part of these financial statements.

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

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set below.

**1.2 Going concern**

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

**1.3 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

***Grants Receivable***

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

***Donations***

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

***Other income***

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

***Donated Services and Gifts in Kind***

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

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**GOLDINGTON GREEN ACADEMY**  
**(A Company Limited by Guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Resources expended**

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

***Charitable activities***

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

***Governance costs***

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

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

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property buildings	-	2% per annum on a straight line basis
Freehold property land	-	Not depreciated
Fixtures and fittings	-	25% per annum on a straight line basis
Computer equipment	-	33.3% per annum on a straight line basis

**1.6 Operating leases**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.7 Taxation**

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

**1.8 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**1.9 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from Education Funding Agency, Department for Education or other funders.

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

**2. VOLUNTARY INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
Donations	4,645	1,500	6,145	3,456
Transfer from Local Authority on conversion	-	-	-	3,869,241
	<u>4,645</u>	<u>1,500</u>	<u>6,145</u>	<u>3,872,697</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
School club	30,489	-	30,489	14,361
Hire of facilities	5,394	-	5,394	4,200
Catering	-	1,434	1,434	545
Fundraising	-	-	-	904
	<u>35,883</u>	<u>1,434</u>	<u>37,317</u>	<u>20,010</u>

**4. INVESTMENT INCOME**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
Bank interest receivable	869	-	869	111
	<u>869</u>	<u>-</u>	<u>869</u>	<u>111</u>



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**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	1,580,601	1,580,601	686,720
Pupil Premium	-	140,765	140,765	52,875
Capital grants (Restricted Fixed Asset Fund)	-	8,675	8,675	3,577
Start up grants	-	-	-	25,000
Other DfE/EFA grants	-	49,695	49,695	-
	<u>-</u>	<u>1,779,736</u>	<u>1,779,736</u>	<u>768,172</u>
<b>Other government grants</b>				
Local Authority revenue grants	-	126,975	126,975	33,499
Local Authority capital grants (Restricted Fixed Asset Fund)	-	282,356	282,356	-
Academies Capital Maintenance Fund (Restricted Fixed Asset Fund)	-	27,990	27,990	-
	<u>-</u>	<u>437,321</u>	<u>437,321</u>	<u>33,499</u>
<b>Other funding</b>				
Other income	-	24,301	24,301	6,126
	<u>-</u>	<u>24,301</u>	<u>24,301</u>	<u>6,126</u>
	<u>-</u>	<u>2,241,358</u>	<u>2,241,358</u>	<u>807,797</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**6. RESOURCES EXPENDED**

	Staff costs	Non Pay Expenditure		Total	Total
	2014 £	Premises 2014 £	Other costs 2014 £	2014 £	2013 £
Direct costs - Educational operations	1,164,179	-	315,393	1,479,572	557,160
Support costs - Educational operations	187,507	89,192	290,816	567,515	240,532
<b>Charitable activities</b>	<b>1,351,686</b>	<b>89,192</b>	<b>606,209</b>	<b>2,047,087</b>	<b>797,692</b>
<b>Governance</b>	<b>-</b>	<b>-</b>	<b>14,319</b>	<b>14,319</b>	<b>25,961</b>
<b>Other resources expended</b>					
<b>Pension scheme liability transferred on conversion</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>179,000</b>
	<b>1,351,686</b>	<b>89,192</b>	<b>620,528</b>	<b>2,061,406</b>	<b>1,002,653</b>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000	
		Amount £	Reason
Ex-gratia/compensation payments	20,879	20,879	Non-statutory/non-contractual severance payment
Transfer of High Needs funds	40,000	40,000	Funds transferred to Bedford Borough Council

Goldington Green Academy received a grant for £40,000 during the year for the provision of High Needs services relating to autistic spectrum disorder. The school's custom built unit was not available for use until 1 September 2014. These funds were therefore transferred to Bedford Borough Council for use at an alternative site which had the appropriate facilities available for use from 1 September 2013.

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

**7. CHARITABLE ACTIVITIES**

	Total funds 2014 £	Total funds for 5 month period ended 2013 £
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	975,691	401,645
National insurance	65,152	26,117
Pension cost	123,336	53,629
Educational supplies	142,729	38,869
Staff development	34,627	8,681
Staff related insurance	6,543	4,673
Technology costs	23,685	7,604
Educational consultancy	55,281	4,640
Travel and subsistence	9,603	996
Other direct costs	2,925	10,306
Transfer of High Needs funds	40,000	-
	<u>1,479,572</u>	<u>557,160</u>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	165,737	70,186
National insurance	6,233	3,414
Pension cost	15,537	6,930
Depreciation	89,192	31,807
FRS 17 net finance cost	4,000	3,000
Technology costs	18,008	10,659
Bought in services - other	27,393	4,455
Maintenance of premises and equipment	81,548	44,963
Operating lease rentals	21,403	6,611
Rent, rates and water	8,501	5,275
Energy	19,697	8,753
Insurance	16,028	7,276
Catering	47,794	20,419
Other occupancy costs	22,566	6,079
Other support costs	23,878	10,705
	<u>567,515</u>	<u>240,532</u>
	<u><u>2,047,087</u></u>	<u><u>797,692</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. GOVERNANCE COSTS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
Auditors' remuneration	-	6,000	6,000	6,000
Auditors' non audit costs	-	2,700	2,700	2,310
Legal and professional fees	-	5,619	5,619	17,651
	<u>-</u>	<u>14,319</u>	<u>14,319</u>	<u>25,961</u>

**9. OTHER RESOURCES EXPENDED**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
Pension scheme liability transferred on conversion	-	-	-	179,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,000</u>

**10. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	31 August 2014 £	5 month period ended 31 August 2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	89,190	31,807
Auditors' remuneration	6,000	6,000
Operating lease rentals:		
- other operating leases	21,403	6,611
	<u>116,593</u>	<u>44,428</u>

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**11. STAFF**

**a. Staff costs**

Staff costs were as follows:

	31 August 2014 £	5 month period ended 31 August 2013 £
Wages and salaries	1,103,313	471,100
Social security costs	71,385	29,531
Other pension costs (Note 24)	138,873	60,559
	<u>1,313,571</u>	<u>561,190</u>
Supply teacher costs	17,236	732
Compensation payments	20,879	-
	<u>1,351,686</u>	<u>561,922</u>

**b. Staff severance payments**

The compensation payments above represent a single non-statutory/non-contractual severance payment made during the year.

**c. Staff numbers**

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

	31 August 2014 No.	5 month period ended 31 August 2013 No.
Teaching	16	11
Administration and support	30	28
Management	3	3
	<u>49</u>	<u>42</u>

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

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**11. STAFF (continued)**

**d. Higher paid staff**

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

	<b>31 August 2014 No.</b>	<b>5 month period ended 31 August 2013 No.</b>
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0
	<hr/>	<hr/>
	<b>1</b>	<b>1</b>
	<hr/> <hr/>	<hr/> <hr/>

The above bandings state employee emoluments before employer's pension contributions and show an annualised equivalent of the pay during the period.

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2014 employer's pension contributions for this employee amounted to £10,468 (5 months ended 31 August 2013: £3,972).

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

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**12. GOVERNORS' REMUNERATION AND EXPENSES**

The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The value of Governors' remuneration during their term of office during the year to 31 August 2014 (including employer's pension contributions) fell within the following bands:

	<b>Year ended 31 August 2014 £</b>	<b>5 months ended 31 August 2013 £</b>
Mrs Caroline Skingsley, Headteacher	80,000-85,000	30,000-35,000
Staff Governor 1 (served three months in year)	10,000-15,000	15,000-20,000
Staff Governor 2	30,000-35,000	10,000-15,000
Staff Governor 3	20,000-25,000	5,000-10,000
Staff Governor 4	50,000-55,000	20,000-25,000
Staff Governor 5 (served two months in year)	5,000-10,000	

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

**13. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £392 (2013 - £164). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2013	3,750,000	4,500	48,766	3,803,266
Additions	307,195	101,355	19,630	428,180
At 31 August 2014	<u>4,057,195</u>	<u>105,855</u>	<u>68,396</u>	<u>4,231,446</u>
<b>Depreciation</b>				
At 1 September 2013	22,583	563	8,661	31,807
Charge for the year	54,837	12,298	22,055	89,190
At 31 August 2014	<u>77,420</u>	<u>12,861</u>	<u>30,716</u>	<u>120,997</u>
<b>Net book value</b>				
At 31 August 2014	<u><u>3,979,775</u></u>	<u><u>92,994</u></u>	<u><u>37,680</u></u>	<u><u>4,110,449</u></u>
At 31 August 2013	<u><u>3,727,417</u></u>	<u><u>3,937</u></u>	<u><u>40,105</u></u>	<u><u>3,771,459</u></u>

Included in freehold property is freehold land at valuation at conversion to Academy status of £1,040,000 which is not depreciated.

Included in freehold property are property improvements amounting to a net book value of £22,864 (2013: £Nil). The additions to freehold property include £283,693 spent on the construction of a specialist unit for children with autistic spectrum disorder. This expenditure was fully funded by Bedford Borough Council.

**15. DEBTORS**

	2014 £	2013 £
VAT repayable	35,250	16,378
Prepayments and accrued income	30,976	114,264
	<u>66,226</u>	<u>130,642</u>



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

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**16. CREDITORS:**

**Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	33,944	83,155
Other creditors	30,400	-
Accruals and deferred income	79,959	25,580
	<u>144,303</u>	<u>108,735</u>

**Deferred income**

Deferred income at 1 September 2013	15,194
Resources deferred during the year	53,390
Amounts released from previous years	<u>(15,194)</u>
Deferred income at 31 August 2014	<u>53,390</u>

At the balance sheet date the Academy was holding funds received in advance for the following purposes: Free School Meals funding £45,021 (2013: £nil); Capital funding £5,136 (2013: £5,007); Rates relief £3,233 (2013: £nil); and insurance funding £nil (2013: £10,187).

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**17. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
Unrestricted funds	35,900	41,397	(30,490)	-	-	46,807
<b>Restricted funds</b>						
General Annual Grant (GAG)	4,306	1,580,602	(1,587,533)	(65,584)	-	(68,209)
Other restricted Pension reserve	25,720 (173,000)	344,669 -	(351,191) (3,000)	- -	- 4,000	19,198 (172,000)
	<u>(142,974)</u>	<u>1,925,271</u>	<u>(1,941,724)</u>	<u>(65,584)</u>	<u>4,000</u>	<u>(221,011)</u>
<b>Restricted fixed asset funds</b>						
Capital income and grants	3,810,328	319,021	(89,192)	-	-	4,040,157
Capital expenditure from GAG	4,708	-	-	65,584	-	70,292
	<u>3,815,036</u>	<u>319,021</u>	<u>(89,192)</u>	<u>65,584</u>	<u>-</u>	<u>4,110,449</u>
Total restricted funds	<u>3,672,062</u>	<u>2,244,292</u>	<u>(2,030,916)</u>	<u>-</u>	<u>4,000</u>	<u>3,889,438</u>
Total of funds	<u><u>3,707,962</u></u>	<u><u>2,285,689</u></u>	<u><u>(2,061,406)</u></u>	<u><u>-</u></u>	<u><u>4,000</u></u>	<u><u>3,936,245</u></u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This predominantly includes pupil premium and other Local Authority funding for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. An amount of £179,000 was transferred to the Academy in respect of the deficit on this pension scheme at the date of conversion to an Academy.

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**17. STATEMENT OF FUNDS (continued)**

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the period.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the Bedford Borough local authority following the transfer of the land and buildings.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds for 5 month period ended 2013 £
Tangible fixed assets	-	-	4,110,449	4,110,449	3,771,460
Current assets	66,375	75,724	-	142,099	218,239
Creditors due within one year	(19,568)	(124,735)	-	(144,303)	(108,737)
Pension Scheme liability	-	(172,000)	-	(172,000)	(173,000)
	<u>46,807</u>	<u>(221,011)</u>	<u>4,110,449</u>	<u>3,936,245</u>	<u>3,707,962</u>

**19. NET CASH FLOW FROM OPERATING ACTIVITIES**

	31 August 2014 £	5 month period ended 31 August 2013 £
Net incoming resources before transfers	224,283	3,697,962
Returns on investments and servicing of finance	(869)	(111)
Depreciation of tangible fixed assets	89,190	-
Capital grants	(319,021)	(3,577)
Decrease/(increase) in debtors	64,416	(130,642)
Increase in creditors	35,568	108,735
Fixed assets transferred from Local Authority on conversion	-	(3,798,558)
Bank accounts transferred from Local Authority on conversion	-	(70,683)
Pension scheme transferred from Local Authority on conversion	-	179,000
FRS 17 pension cost less contributions payable	(1,000)	1,000
FRS 17 pension finance income	4,000	3,000
<b>Net cash inflow/(outflow) from operations</b>	<u>96,567</u>	<u>(13,874)</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	31 August 2014 £	5 month period ended 31 August 2013 £
<b>Returns on investments and servicing of finance</b>		
Interest received	869	111
	<u>869</u>	<u>111</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(428,180)	(4,708)
Capital grants	319,021	3,577
	<u>(109,159)</u>	<u>(1,131)</u>
<b>Net cash outflow capital expenditure</b>		

**21. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	87,596	(11,723)	-	75,873
<b>Net funds</b>	<u>87,596</u>	<u>(11,723)</u>	<u>-</u>	<u>75,873</u>

**22. CONTINGENT LIABILITIES**

The Academy received funding of £283,693 from the Bedford Borough Council for the construction of a specialist unit for children with autistic spectrum disorder. Under the terms of the Deed of Undertaking between Goldington Green Academy and Bedford Borough Council (dated 18 February 2014) funding agreement this amount is fully repayable to the Bedford Borough Council should the unit cease to be used for this purpose within 5 years of the opening date. The amount repayable then drops to 80% with a further 20% drop every five years until the unit has been used for this purpose for a total of 25 years. These obligations will not apply if the Council gives consent to the Academy to cease to use the unit or terminates the Service Level Agreement.

A Deed of Variation was executed on behalf of the Secretary of State in respect of the original funding agreement to allow the operation of the unit.

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

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**23. MEMBERS' LIABILITY**

The Academy is a company limited by guarantee and does not have share capital.

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.

**24. PENSION COMMITMENTS**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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.

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

**Valuation of the Teachers' Pension Scheme**

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and

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**24. PENSION COMMITMENTS (continued)**

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

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

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

**Teachers' Pension Scheme Changes**

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

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

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

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

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £53,000, of which employer's contributions totalled £42,000 and employees' contributions totalled £11,000. The agreed contribution rates for future years are 23.9% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the

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**24. PENSION COMMITMENTS (continued)**

Department for Education. The guarantee came into force on 18 July 2013.

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.30	242,000	6.60	185,000
Bonds	3.30	66,000	4.00	50,000
Property	4.50	32,000	4.70	21,000
Cash	3.30	10,000	3.60	8,000
Total market value of assets		<u>350,000</u>		<u>264,000</u>
Present value of scheme liabilities		<u>(522,000)</u>		<u>(437,000)</u>
Deficit in the scheme		<u><u>(172,000)</u></u>		<u><u>(173,000)</u></u>

The expected rate of return is based on the long-term future expected investment return for each asset class at the beginning of the period.

The amounts recognised in the balance sheet are as follows:

	31 August 2014 £	5 month period ended 31 August 2013 £
Present value of funded obligations	<u>(522,000)</u>	<u>(437,000)</u>
Fair value of scheme assets	<u>350,000</u>	<u>264,000</u>
Net liability	<u><u>(172,000)</u></u>	<u><u>(173,000)</u></u>

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**24. PENSION COMMITMENTS (continued)**

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

	<b>31 August</b>	5 month period ended
	<b>2014</b>	31 August
	£	2013
		£
Current service cost	(41,000)	(20,000)
Interest on obligation	(21,000)	(8,000)
Expected return on scheme assets	17,000	5,000
	<u>(45,000)</u>	<u>(23,000)</u>
Total	<u>(45,000)</u>	<u>(23,000)</u>
Actual return on scheme assets	<u>33,000</u>	<u>2,000</u>

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

	<b>31 August</b>	5 month period ended
	<b>2014</b>	31 August
	£	2013
		£
Opening defined benefit obligation	437,000	417,000
Current service cost	41,000	20,000
Interest cost	21,000	8,000
Contributions by scheme participants	11,000	5,000
Actuarial Losses/(gains)	12,000	(13,000)
	<u>522,000</u>	<u>437,000</u>
Closing defined benefit obligation	<u>522,000</u>	<u>437,000</u>



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**24. PENSION COMMITMENTS (continued)**

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

	<b>31 August 2014</b>	5 month period ended 31 August 2013
	£	£
Opening fair value of scheme assets	264,000	238,000
Expected return on assets	17,000	5,000
Actuarial gains and (losses)	16,000	(3,000)
Contributions by employer	42,000	19,000
Contributions by employees	11,000	5,000
	<u>350,000</u>	<u>264,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £14,000 gain (2013 - £10,000 gain).

The Academy expects to contribute £42,000 to its Defined Benefit Pension Scheme in 2015.

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

	<b>2014</b>	2013
Discount rate for scheme liabilities	<b>3.70 %</b>	4.60 %
Expected return on scheme assets at 31 August	<b>5.40 %</b>	5.90 %
Rate of increase in salaries	<b>3.50 %</b>	5.10 %
Rate of increase for pensions in payment / inflation	<b>2.70 %</b>	2.80 %

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

	<b>2014</b>	2013
	Years	Years
Retiring today		
Males	22.4	21.6
Females	24.3	23.2
Retiring in 20 years		
Males	24.4	23.6
Females	26.8	25.6

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**24. PENSION COMMITMENTS (continued)**

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(522,000)	(437,000)
Scheme assets	350,000	264,000
Deficit	<u>(172,000)</u>	<u>(173,000)</u>
Experience adjustments on scheme assets	<u>16,000</u>	<u>(3,000)</u>

**25. OPERATING LEASE COMMITMENTS**

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

	2014 £	2013 £
<b>Expiry date:</b>		
Within 1 year	7,097	-
Between 2 and 5 years	16,511	14,788
Total	<u>23,608</u>	<u>14,788</u>

All commitments above relate to assets other than land and buildings.

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**26. RELATED PARTY TRANSACTIONS**

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

The following related party transactions took place in the year under review.

KGI Property Maintenance and Furniture Installation Specialists - a business operated solely by the partner of Mrs Pip Jones (a staff Governor):

- The Academy paid for maintenance services amounting to £39,507 and capital purchases of £15,818 from KGI Property Maintenance and Furniture Installation Specialists during the year.

The requirements of the Academies Financial Handbook 2013 2.6.2 and 2.6.4 in relation to procurement of services from individuals and organisations connected to trustees were not followed in the purchase of these services. The supplies purchased and services provided during the year were all smaller contracts and there was no formal tendering process. The requirement to ensure that goods and services were properly procured was not demonstrated and there was no confirmation that the charges do not exceed the cost of supply.

It is noted that this supplier had been regularly used by Goldington Green Lower School in previous years, when the school was controlled by the Local Authority prior to conversion to Academy status, and was a preferred supplier for costs and service quality. All of the purchases were approved by the Accounting Officer. The Accounting Officer and the Senior Leadership Team have reviewed the transactions in the year and are satisfied that value for money was obtained and the provision of the services and goods was at a competitive cost. There are now systems in place at the academy to ensure the procurement requirements of the Academies Financial Handbook are implemented.

**27. OTHER FINANCE INCOME**

	31 August 2014 £	5 month period ended 31 August 2013 £
Expected return on pension scheme assets	17,000	5,000
Interest on pension scheme liabilities	(21,000)	(8,000)
	<u>(4,000)</u>	<u>(3,000)</u>