

GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2013**

Trustees

R Thoburn, Chair¹
M Lewis, Vice Chair²
M Welsh, Headteacher
R Underwood (resigned 16 October 2012)
B Mann^{1,2}
D Godfrey¹
D Franklin (resigned 23 November 2012)^{1,2}
D Leach (resigned 20 October 2012)
P Parsons^{1,2}
L Garrett¹
M Blake (appointed 7 November 2012)²
E Woolley (appointed 7 November 2012)²
M Day (appointed 16 October 2012)¹
D Kole (appointed 13 November 2012)²
S Haynes (appointed 5 February 2013)¹

¹ Finance, Premises and Health and Safety Scrutiny Committee

² Staffing, Extended Services and Curriculum Scrutiny Committee

**Company registered
number**

07351053

**Principal and Registered
office**

Welcombe Avenue
Swindon
Wiltshire
SN3 2QN

Accounting officer

M Welsh

**Senior management
team**

M Welsh, Headteacher
B Mann, Deputy Headteacher
J Harding, Deputy Headteacher
C Franklin, Assistant Headteacher
S Chivers, Assistant Headteacher
Z Grove-Welsh, Assistant Headteacher
S Mann, Assistant Headteacher
F Godfrey, School Business Manager
S Haynes, ICT Technical Coordinator
V Craig, Extended School Services Coordinator
M Apps, Extended School Services Coordinator

Independent auditors

Bishop Fleming
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Bankers

Lloyds Bank Plc
5 High Street
Swindon
Wiltshire
SN1 3EN

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2013**

Advisers (continued)

Solicitors	Swindon Borough Council Civic Offices Euclid Street Swindon SN1 2JH
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**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2013**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2013.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees act as trustees for the charitable activities of Goddard Park Community Primary School Academy Trust and are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £2,000,000.

Principal Activity

The Academy Trust's principal activity is specifically restricted to the following: advancing for the public benefit education in Parks and Walcot East areas of Swindon, Wiltshire ("the area of benefit"), in particular but without prejudice to the generality of the foregoing by:

- (i) establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum (the "Academy");
- (ii) providing childcare facilities and adult training to develop the capacity and skills of parents-to-be and parents with children primarily but not exclusively under five in such a way that they are better able to identify and help meet the needs of children;

TRUSTEES

Method of recruitment and appointment or election of Trustees

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

- up to 3 Trustees who are appointed by members
- up to 1 LA Trustee who is appointed by the Local Authority
- up to 5 Parent Trustees who are elected by Parents of registered pupils at the Academy. A parent Trustee must be a parent of a pupil at the Academy at the time he is elected. Where a vacancy for a Parent Trustee is required to be filled by election, the Academy Trust shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.
- up to 2 staff Trustees appointed by the Academy Trust.
- up to 3 Community Trustees who are appointed by the Academy Trust provided it is a person who lives or

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

works in the community served by the Academy or a person who, in the opinion of the Academy Trust, is committed to the government and success of the Academy.

- the Headteacher who shall be treated for all purposes as being an ex officio Trustee.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. The Governor Support Team at the Local Authority provides external training including financial matters. They also provide regular updates on practice, legislation and guidance.

Organisational Structure

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

There are 2 committees as follows;

- Finance, Premises and Health and Safety Scrutiny Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. The committee also has responsibility for premises and health and safety policies and compliance.
- Staffing, Extended Services and Curriculum Scrutiny Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to staffing, curriculum planning, target setting and assessment, examinations, extended school activities (including the work of the Children's Centre and Daycare), communications, and all pastoral issues.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual School Development Plan and budget, to approval the statutory accounts.

The Trustees are also responsible for setting general policy, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The Senior Leadership Team (SLT) consists of the Headteacher, two Deputy Headteachers, four Assistant Headteachers, the ICT Technical Coordinator, the Children's Centre Coordinators and the School Business Manager. The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, School Business Manager and Finance, Health & Safety and Premises Scrutiny Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee.

The Academy also has Phase Leaders and Year Group Leaders who assist with the day to day operation of the Academy, in particular overseeing teaching and learning quality, staff, facilities and pupils.

The Headteacher is the Accounting Officer.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

Risk management

The Trustees have identified and reviewed the major risks to which the academy trust is exposed and these are recorded in the Academy Risk Register. The Register is reviewed on a regular basis and includes the operational areas (e.g. in relation to teaching, health & safety and trips), and the control of finance. The Trust has developed robust systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and effective systems of internal financial controls in order to minimise risk and this is explained in more detail in the Governance Statement. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Connected Organisations, including Related Party Relationships

Part of the School's remit is the provision of Children's Centre family support services. This is funded by a Sure Start Grant through the Local Authority. A contract is in place between the School and the Local Authority which covers the responsibilities of both parties. The Trustees have full control over the running of this provision for the contract period.

There are no sponsors or formal Parent Teacher Associations linked with the School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the charitable company is the operation of Goddard Park Community Primary School and Children's Centre, to provide education and care for pupils of different abilities between the ages of 0 and 11. In addition to the education of school age children, the Academy provides education and Daycare provision for children below school age, and the Children's Centre provides family support programmes.

In accordance with the articles of association the charitable company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things:

- that the school has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly based curriculum);
- that it provides education for pupils of different abilities;
- and that it provides education for pupils who are wholly or mainly drawn from the area in which the school is situated.

The Aims of the Academy during the year ended 31 August 2013 are summarised below:

Goddard Park enables all members of its vibrant school community to achieve their full potential and develop a positive attitude towards lifelong learning as global citizens.

In order to achieve this, we will;

- teach a creative curriculum with an emphasis on the core subjects using a topic approach that builds upon the child's knowledge, experience and understanding of the World;
- provide children with the tools they need to make outstanding progress supported by rigorous assessment;
- provide a caring, stimulating and vibrant learning environment that will meet the social, educational and pastoral needs of the school community;
- ensure each child celebrates their achievements and understands how to become 'the best they can be';
- encourage children to develop their own talents and interests and participate fully throughout the life of the school;
- teach children to be resourceful and resilient;
- ensure we all appreciate, respect and value a multi-cultural society, both locally and globally;
- teach children to appreciate and celebrate the differences in us all, and the unique contributions we make regardless of gender, ethnicity, disability or religion;
- develop our children, staff, parents and carers' awareness of place and responsibility within our family, local and global communities;
- provide firm and consistent discipline and support a reward based behaviour policy that develops children's self-discipline;
- teach children to understand and make a contribution towards preserving the physical environment;
- provide opportunities for personal and professional growth for all who work in the School community;
- take a pride in attending Goddard Park and being a member of our local community.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan which is available from the School Office. Improvement Focuses identified for this year include:

Maths

We intend to further develop our numeracy teaching and raise the attainment of the children aided by the introduction of a whole school numeracy scheme. This will build upon the achievements of the children and ensure consistency in our teaching across the school.

Reading

This year we are continuing to drive and build upon the success of the reading programme in Reception and Years 1-3 by teaching reading in homogenous groups across Years 4-6 using Read Write Inc materials alongside the Goddard Park curriculum.

Curriculum

Our work on the review of the curriculum will continue to ensure we are teaching what we feel is appropriate for our children in the light of Government proposals.

School Pupil Tracker

We will continue to build upon the successful implementation of our pupil tracking system to ensure that every child is individually monitored and developed. School Pupil Tracker will also identify groups e.g. SEN, GT, LAC, ethnicity enabling us to ensure interventions are targeted and all children are achieving their full potential.

Specialist support for Teachers

Subject Specialist Managers have been employed to enhance existing practice and support teachers in provision of Music, PE and French as well as running after school clubs.

These objectives are in addition to the improvement of levels of attainment across the core subjects.

School uniform

New uniforms were given to all children at the School ready for the start of the 2013/14 academic year. This led to every pupil wearing correct clothing, a marked improvement for the School. The cost to the School is included in these financial statements.

Public Benefit

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

ACHIEVEMENTS AND PERFORMANCE

The Academy is in its third year of operation and has exceeded the forecast numbers of pupils. The total number of pupils in Reception year to Year 6 at the end of the summer term 2013 was 424 compared to 401 in the summer term 2012. This number has increased further to 452 in September 2013. A further 26 children were attending the Academy Nursery at the end of the summer term 2013. The school has moved to a three form intake to take account of the number of pupils wishing to attend, and can now accommodate up to 90 children in Reception year, 1 & 2. The School has a waiting list in one year group.

In addition to the number above, 187 children were attending sessions for children aged 3 months to 4 years in our Daycare provision at the end of the summer term 2013.

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**TRUSTEES' REPORT (continued)
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Attainment at the end of Foundation Stage is shown in the table below:

Attainment at end of Foundation Stage	2012/13 % at L2+(Meeting expectation)	2012/13 % at L3+(Exceeding expectation)
Reading	86	33
Writing	81	17
Numbers	83	33
Speaking	94	13
Self-confidence	99	21

These levels represent the first results from the revised Early Years Foundation Stage (EYFS), which was implemented in September 2012. The revised EYFS goals (ELG) present much higher expectations than the previous curriculum. However, the children rose to the challenge in all areas of learning from extremely low starting points. At the start of the Reception year 97.6% of children were below age related expectations in Reading and Numbers and they made great progress to achieve the results above by the time they reached the end of the Reception year. It was a similar picture for writing and shape space and measure (98.8% below expectation at start of the year) and for self-confidence (86.4% below expectation at start of the year). Teacher assessments and Read, Write Inc (RWInc) results show a significant improvement in Reading, with the more able children leaving Reception on yellow books (1a NC). In addition the children are expected to reliably work with numbers 1 to 20, including adding and subtracting 2 single digit numbers, doubling, halving and sharing.

Attainment at the end of Key Stage 1 is shown in the table below:

KS1 % achieved	2011	2011	2012	2012	2013	2013
	L2+	L3+	L2+	L3+	L2+	L3+
Reading	73	22	86	16	88	27
Writing	73	9	86	11	88	14
Maths	80	15	88	12	92	16
Science	80	25	91	25	94	27

Our end of Key Stage 1 results have continued to improve in Reading, Writing, Maths and Science. Attainment in Maths at L2+ had the most significant increase by 4% compared with 2012. The percentage of children achieving L2+ in reading and writing is still lower than Mathematics and Science. One of the targets identified after the 2012 results was to increase the L3 results in all four subjects. The results above show that Level 3 results have improved in all subjects with Reading showing the most significant improvements. This would be in line with our monitoring of the RWInc programme and the number of children reaching Comprehension level by the end of Year 2.

Attainment at the end of Key Stage 2 is shown in the table below:

KS2 % achieved	2011			2012			2013		
	L4+	L5	2 Levels Progress	L4+	L5+	2 Levels Progress	L4+	L5	2 Levels Progress
English	73	21	83	76	13	96	81	25	96
Maths	83	33	89	91	17	98	92	29	96
English and Maths	73	17		76	6		81	20	
VA score	100.7			101.6			100.9		

The children in Year 6 have made excellent progress, with 98% of the cohort making at least 2 levels of progress in English and Maths. 81% of the pupils achieved Level 4 or above in English and 92% achieved Level 4 or above in Maths, these are both improvements on previous years. The number of children achieving Level 5 in English was 25%, which is an increase on previous years. In Maths 29% of the children achieved Level 5 and 1 child achieved Level 6, which is a fantastic achievement.

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**TRUSTEES' REPORT (continued)
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In previous years English has been calculated as a combined value from Reading, Writing and Speaking and Listening. It appears that this year these results will not be combined. In Reading the children achieved 91% Level 4 and above and 37% Level 5. Which are excellent results reflecting the impact of RWInc and the changes to Reading throughout the school. In Writing 80% of the children achieved Level 4 and above and 22% achieved Level 5. In Speaking & Listening 85% of the children achieved Level 4 and above, and 39% achieved Level 5. The levels for Writing and Speaking and Listening are based solely on teacher assessment.

SPAG (Spelling, Punctuation and Grammar) tests were introduced in 2013. They did not contribute to the children's overall attainment in English and were an entity of their own. 62% of the children achieved Level 4 and above, 35% of the children achieved Level 5 in SPAG. An area for development is improving attainment at Level 4 in SPAG.

We are awaiting the Value Added scores and National and Local data to enable us to compare our attainment.

To ensure that standards are continually raised the Academy:

- operates a programme of observation of lessons;
- is visited by a School Improvement Partner;
- undertakes a comparison of results from entry to Key Stage 1 to Key Stage 2 to assess the added value.

Going Concern

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

Key Financial Performance Indicators

Staffing Ratio. The cost of staffing salaries as a proportion of the total revenue expenditure of the Academy is 81.1%. This is a reduction on the figure of 83.7% for the previous year and shows that the school is obtaining good value for money. The ratio is higher than many schools due to the additional staffing needed for our Daycare and Children's Centre activities. Within each main funding stream the staffing ratio to total expenditure (excluding capital) within that funding stream is:

Main School – 79.1% compared to 82.6% in the previous year
Children's Centre – 95.2% compared to 91.92% in the previous year
Day Care – 81.8% compared to 84.18% in the previous year

Capital expenditure per pupil (450 pupils – Nursery to Year 6) for the main school was £118 compared to £533 during the previous year. Total capital expenditure for the main school was £52,737. This was lower than expected due to delays in some projects. Capital Expenditure for Daycare activities was £2,266. There was no capital expenditure for the Children's Centre.

Main school utility costs per pupil (450 pupils - Nursery to Year 6) are £108 compared to £119 in the previous year. Our recently installed solar panels should reduce these costs still further in the coming year.

Pupil numbers (Nursery to Year 6) – As previously stated, pupils numbers are on a distinct upward trend. The school has been successful in moving to a three form intake and this will have a significant positive impact on the school's financial position.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2013 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2013, total expenditure of £3,085,107 was covered by recurrent grant funding

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**TRUSTEES' REPORT (continued)
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from the DfE, together with other incoming resources totalling £2,957,854 and reserves brought forward. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £15,298.

At 31 August 2013 the net book value of fixed assets was £4,542,086 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Trustees have adopted a Responsible Officer Policy and appointed Financial Services 4 Schools to undertake a programme of internal checks on the financial controls. During the year, the Trustees received 4 reports from the Responsible Officer which contained no matters of significance.

Financial and Risk Management Objectives and Policies

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

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Principal Risks and Uncertainties

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

Financial - The Academy has considerable reliance on continued Government funding through the EFA. In the last year 89% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

Reputational - The continuing success of the Academy is dependant on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil success and achievement are closely monitored and reviewed. In addition to the GAG, £504,000 is expected to be received in Daycare fees and 3 and 4 year old funding grants for the coming year. This is dependent on retaining the current level of Daycare pupils. The Academy's continued good reputation, together with effective marketing should ensure numbers remain constant.

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

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

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

The Academy has continued to strengthen its risk management process throughout the year by improving the

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process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be approximately £165,000. The reason for this is to provide 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 issues. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £138,000, of which all is free reserves.

The Trustees have reviewed the future plans of the Academy and aim to achieve the following:

- £18,000 towards the construction of a conservatory in our Daycare provision to extend the room and improve the facilities for children.

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

There are currently no material investments held by the Academy. During the coming year the Trustees will consider investing free reserves

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for pupils in the wider community. Due to our success in working with other schools, we are discussing the possibility of becoming a sponsor academy with the DfE.

Full details of our plans for the future are given in our School Development Plan, which is available on our website or from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

TRUSTEES INDEMNITIES

There were no third party indemnity provisions during the year or at the date of approval of the trustees' report.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

AUDITOR

In so far as the Trustees are aware:

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

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

Approved by order of the board of trustees on 16 December 2013 and signed on its behalf by:

R Thoburn
Chair of Trustees

M Welsh
Headteacher

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the 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 Goddard Park Community Primary School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
R Thoburn, Chair	6	6
M Lewis, Vice Chair	4	6
M Welsh, Headteacher	6	6
R Underwood	0	2
B Mann	6	6
D Godfrey	4	6
D Franklin	0	2
D Leach	3	5
P Parsons	6	6
L Garrett	6	6
M Blake	4	6
E Woolley	4	4
M Day	2	4
D Kole	2	4
S Haynes	2	4

The Finance, Premises and Health & Safety Committee (FPH&S) is a sub-committee of the main Trustees. The purpose of the FPH&S Committee is to ensure that the standards of financial control and administration are adhered to, make financial plans including agreeing the draft budget, and monitor the progress of income and expenditure. The FPH&S Committee has formally met 5 times during the year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
R Thoburn (Chairman)	5	5
D Godfrey	5	5
B Mann	4	5
P Parsons	5	5
L Garrett	3	5
M Day	1	4
S Haynes	3	3

GOVERNANCE STATEMENT (continued)

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 Goddard Park Community Primary School Academy Trust for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed M Lewis, a Trustee, as Responsible Officer (RO).

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

REVIEW OF EFFECTIVENESS

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Premises and Health and Safety Scrutiny Committee.

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Approved by order of the members of the board of trustees on 16 December 2013 and signed on their behalf, by:

R Thoburn
Chair of Trustees

M Welsh
Accounting Officer

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Goddard Park Community Primary School Academy Trust I have considered my responsibility to notify the Academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

M Welsh
Accounting Officer

Date: 16 December 2013

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

R Thoburn
Chair of Trustees

Date: 16 December 2013

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GODDARD PARK COMMUNITY PRIMARY
SCHOOL ACADEMY TRUST**

We have audited the financial statements of Goddard Park Community Primary School Academy Trust for the year ended 31 August 2013 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 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. 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 2013 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 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GODDARD PARK COMMUNITY PRIMARY
SCHOOL ACADEMY TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT
Date:

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO GODDARD PARK
COMMUNITY PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Goddard Park Community Primary School Academy Trust during the year 1 September 2012 to 31 August 2013 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 Goddard Park Community Primary School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Goddard Park Community Primary School Academy Trust and the 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 Goddard Park Community Primary School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY
TRUST'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of Goddard Park Community Primary School Academy Trust's funding agreement with the Secretary of State for Education dated 22 September 2010, and the Academies Financial Handbook extant from 1 September 2012, 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. 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 2012 to 31 August 2013 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 issued by the 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.

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

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

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO GODDARD PARK
COMMUNITY PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY
(continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date:

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	18,291	-	-	18,291	9,917
Activities for generating funds	3	40,822	-	-	40,822	40,640
Investment income	4	348	-	-	348	5,424
Incoming resources from charitable activities	5	596,040	2,293,600	8,753	2,898,393	2,819,239
TOTAL INCOMING RESOURCES		655,501	2,293,600	8,753	2,957,854	2,875,220
RESOURCES EXPENDED						
Charitable activities	7	633,087	2,286,517	151,304	3,070,908	2,685,915
Governance costs	10	-	14,199	-	14,199	10,343
TOTAL RESOURCES EXPENDED	6	633,087	2,300,716	151,304	3,085,107	2,696,258
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		22,414	(7,116)	(142,551)	(127,253)	178,962
Transfers between Funds	20	-	(46,250)	46,250	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		22,414	(53,366)	(96,301)	(127,253)	178,962
Actuarial gains and losses on defined benefit pension schemes		-	44,000	-	44,000	(187,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		22,414	(9,366)	(96,301)	(83,253)	(8,038)
Total funds at 1 September 2012		67,651	(121,247)	4,638,387	4,584,791	4,592,829
TOTAL FUNDS AT 31 AUGUST 2013		90,065	(130,613)	4,542,086	4,501,538	4,584,791

All of the Academy Trust's activities derive from continuing operations during the current and prior year.

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 24 to 43 form part of these financial statements.

GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07351053

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	16		4,542,086		4,638,387
CURRENT ASSETS					
Stocks	17	7,293		3,191	
Debtors	18	89,651		77,049	
Cash at bank and in hand		163,338		175,188	
			260,282	255,428	
CREDITORS: amounts falling due within one year	19	(105,830)		(120,024)	
NET CURRENT ASSETS			154,452		135,404
TOTAL ASSETS LESS CURRENT LIABILITIES			4,696,538		4,773,791
Defined benefit pension scheme liability	26		(195,000)		(189,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			4,501,538		4,584,791
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	20	64,387		67,753	
Fixed asset funds	20	4,542,086		4,638,387	
Restricted funds excluding pension liability		4,606,473		4,706,140	
Pension reserve		(195,000)		(189,000)	
Total restricted funds			4,411,473		4,517,140
Unrestricted funds	20		90,065		67,651
TOTAL FUNDS			4,501,538		4,584,791

The financial statements were approved by the Trustees, and authorised for issue, on 16 December 2013 and are signed on their behalf, by:

R Thoburn
Chair of Trustees

M Welsh
Headteacher

The notes on pages 24 to 43 form part of these financial statements.

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	22	34,052	(26,507)
Returns on investments and servicing of finance	23	348	424
Capital expenditure and financial investment	23	(46,250)	(85,465)
DECREASE IN CASH IN THE YEAR		(11,850)	(111,548)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2013**

	2013 £	2012 £
Decrease in cash in the year	(11,850)	(111,548)
MOVEMENT IN NET FUNDS IN THE YEAR	(11,850)	(111,548)
Net funds at 1 September 2012	175,188	286,736
NET FUNDS AT 31 AUGUST 2013	163,338	175,188

The notes on pages 24 to 43 form part of these financial statements.

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Guidance in the Accounts Direction 2013 has changed from last year and where this impacts the comparative figures these have been adjusted. This includes capital grants received during the prior period totalling £163,483, which have been reclassified from voluntary income to incoming resources from charitable activities.

1.2 FUND ACCOUNTING

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

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

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

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

1.3 INCOMING RESOURCES

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

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

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

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

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

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

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.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

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

1.6 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.

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

Freehold property	-	2% straight line
Long leasehold Property	-	2% straight line
Plant and machinery	-	14-17% straight line
Fixtures, fittings and equipment	-	25% straight line
Computer equipment	-	33% straight line

1.7 STOCKS

Unsold uniforms and catering stocks are valued at the lower of cost and net realisable value.

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

1. ACCOUNTING POLICIES (continued)

1.8 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.

1.9 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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), 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 26, 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.

2. VOLUNTARY INCOME

	Total funds 2013 £	Total funds 2012 £
Donations	18,291	9,917

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Lettings	6,599	-	6,599	6,738
Reimbursements from other schools	34,223	-	34,223	33,902
	<u>40,822</u>	<u>-</u>	<u>40,822</u>	<u>40,640</u>

4. INVESTMENT INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Bank interest	348	-	348	424
Pension finance costs	-	-	-	5,000
	<u>348</u>	<u>-</u>	<u>348</u>	<u>5,424</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Academy	156,583	1,996,536	2,153,119	2,226,555
Children's Centre	1,328	278,687	280,015	263,090
Daycare	438,129	27,130	465,259	329,594
	<u>596,040</u>	<u>2,302,353</u>	<u>2,898,393</u>	<u>2,819,239</u>

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

Academy

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
DfE/EFA grants				
Capital Grants	-	8,753	8,753	163,483
General Annual Grant	-	1,759,168	1,759,168	1,771,714
Other DfE/EFA grants	1,900	169,351	171,251	127,109
	<u>1,900</u>	<u>1,937,272</u>	<u>1,939,172</u>	<u>2,062,306</u>
Other government grants				
Special Educational Needs	-	16,380	16,380	24,533
Other government grants non capital	61,832	37,636	99,468	101,773
	<u>61,832</u>	<u>54,016</u>	<u>115,848</u>	<u>126,306</u>
Other funding				
Internal catering income	26,704	-	26,704	27,357
Other	17,989	5,248	23,237	10,586
Reimbursements from other schools	48,158	-	48,158	-
	<u>92,851</u>	<u>5,248</u>	<u>98,099</u>	<u>37,943</u>
	<u><u>156,583</u></u>	<u><u>1,996,536</u></u>	<u><u>2,153,119</u></u>	<u><u>2,226,555</u></u>

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2013 £	Premises 2013 £	Other costs 2013 £	Total 2013 £	Total 2012 £
Direct costs - Academy	1,416,701	94,684	208,489	1,719,874	1,450,899
Direct costs - Children's Centre	257,548	-	9,383	266,931	233,630
Direct costs - Daycare	320,902	-	14,857	335,759	275,001
Support costs - Academy	346,011	112,005	140,327	598,343	594,311
Support costs - Children's Centre	23,396	7,150	11,362	41,908	35,113
Support costs - Daycare	39,455	18,797	49,841	108,093	96,961
CHARITABLE ACTIVITIES	<u>2,404,013</u>	<u>232,636</u>	<u>434,259</u>	<u>3,070,908</u>	<u>2,685,915</u>
GOVERNANCE	<u>1,327</u>	<u>-</u>	<u>12,872</u>	<u>14,199</u>	<u>10,343</u>
	<u><u>2,405,340</u></u>	<u><u>232,636</u></u>	<u><u>447,131</u></u>	<u><u>3,085,107</u></u>	<u><u>2,696,258</u></u>

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7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2013 £	Support costs 2013 £	Total 2013 £	Total 2012 £
Academy	1,719,874	598,343	2,318,217	2,045,210
Children's Centre	266,931	41,908	308,839	268,743
Daycare	335,759	108,093	443,852	371,962
	<u>2,322,564</u>	<u>748,344</u>	<u>3,070,908</u>	<u>2,685,915</u>

8. DIRECT COSTS

	Academy £	Children's Centre £	Daycare £	Total 2013 £	Total 2012 £
Pension finance costs	322	134	214	670	-
Educational supplies	135,652	5,740	12,308	153,700	72,224
Other costs	20,891	848	-	21,739	12,923
Wages and salaries	1,170,121	222,406	278,341	1,670,868	1,469,476
National insurance	83,450	11,993	11,282	106,725	98,685
Pension cost	163,130	23,149	31,279	217,558	168,156
Depreciation	146,308	2,661	2,335	151,304	138,066
	<u>1,719,874</u>	<u>266,931</u>	<u>335,759</u>	<u>2,322,564</u>	<u>1,959,530</u>

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9. SUPPORT COSTS

	Academy £	Children's Centre £	Daycare £	Total 2013 £	Total 2012 £
Pension finance costs	284	13	33	330	-
Staff development	13,088	120	107	13,315	12,648
Recruitment and other staff costs	825	453	-	1,278	576
Maintenance of premises and equipment	44,118	2,935	8,160	55,213	73,450
Cleaning	16,410	1,527	4,657	22,594	19,883
Rent and rates	11,790	288	563	12,641	11,064
Heat and light	41,187	2,400	5,417	49,004	49,009
Insurance	32,454	70	78	32,602	31,068
Security and transport	3,214	1,805	117	5,136	5,433
Catering	39,545	1,190	41,202	81,937	86,380
Technology costs	1,903	-	-	1,903	4,731
Office overheads	19,298	2,812	3,612	25,722	25,869
Legal and professional	28,216	4,899	4,692	37,807	41,095
Bank interest and charges	-	-	-	-	30
Loss on disposal of fixed assets	-	-	-	-	750
Wages and salaries	288,552	20,600	32,931	342,083	317,114
National insurance	17,568	709	1,655	19,932	18,376
Pension cost	39,891	2,087	4,869	46,847	28,909
	<u>598,343</u>	<u>41,908</u>	<u>108,093</u>	<u>748,344</u>	<u>726,385</u>

10. GOVERNANCE COSTS

	Restricted funds 2013 £	Total funds 2012 £
Auditors' remuneration	7,000	7,500
Auditors' non audit costs	2,160	-
Legal and Professional	2,368	-
Other costs	1,344	1,448
Governance expense - wages and salaries	1,204	1,200
Governance expense - NI	86	86
Governance expense - pension costs	37	109
	<u>14,199</u>	<u>10,343</u>

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11. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Academy	231,081	2,087,136	2,318,217	2,045,210
Children's Centre	-	308,839	308,839	268,743
Daycare	402,006	41,846	443,852	371,962
	<u>633,087</u>	<u>2,437,821</u>	<u>3,070,908</u>	<u>2,685,915</u>

12. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the charity	151,304	138,066
Auditors' remuneration	7,000	7,500
Auditors' remuneration - non-audit	2,160	-
	<u>160,464</u>	<u>145,566</u>

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13. STAFF COSTS

Staff costs were as follows:

	2013	2012
	£	£
Wages and salaries	2,014,155	1,828,083
Social security costs	126,743	117,147
Other pension costs (Note 26)	264,442	197,176
	2,405,340	2,142,406
Equal pay loan repayment adjustment	-	(40,293)
	2,405,340	2,102,113

The reduction of £40,293 in 2012, relates to the payment of the Equal Pay full and final settlement of £41,045 and the release of the loan provision of £81,338 from period ended 31 August 2011 accounts.

The average number of persons (including the senior management team) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2013	2012
	No.	No.
Teachers	18	18
Educational support	44	45
Administration/cleaning/catering support	13	14
Management	10	8
	85	85

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

	2013	2012
	No.	No.
In the band £60,001 - £70,000	2	2

The above employees participated in the Teachers' Pension Scheme. Annual equivalent pension contributions during the year ended 31 August 2013 for these staff members amounted to £18,282 (2012: £17,225).

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14. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 Trustees (2012: 3) in respect of defined contribution pension schemes.

During the year, no Trustees received any reimbursement of expenses (2012: £NIL).

Headteacher and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher or staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, from the academy in respect of their role as Trustees. M Welsh, the Headteacher, received remuneration of £67,602 (2012: £61,882) and £9,532 (2012: £8,725) in respect of contributions for defined benefit pension scheme. The value of staff Trustees remuneration and pension contributions in respect of defined pension schemes during the year fell into £5,000 bandings as follows: B Mann £70,000 - £75,000, D Franklin £0 - £5,000 and S Haynes £20,000 - £25,000.

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £830 (2012: £830).

The cost of this insurance is included in the total insurance cost.

16. TANGIBLE FIXED ASSETS

	Property improvements £	Long term leasehold property £	Fixtures, fittings & equipment £	Total £
COST				
At 1 September 2012	467,644	4,250,000	182,007	4,899,651
Additions	16,600	-	38,403	55,003
At 31 August 2013	<u>484,244</u>	<u>4,250,000</u>	<u>220,410</u>	<u>4,954,654</u>
DEPRECIATION				
At 1 September 2012	9,353	170,000	81,911	261,264
Charge for the year	9,685	85,000	56,619	151,304
At 31 August 2013	<u>19,038</u>	<u>255,000</u>	<u>138,530</u>	<u>412,568</u>
NET BOOK VALUE				
At 31 August 2013	<u>465,206</u>	<u>3,995,000</u>	<u>81,880</u>	<u>4,542,086</u>
At 31 August 2012	<u>458,291</u>	<u>4,080,000</u>	<u>100,096</u>	<u>4,638,387</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

17. STOCKS

	2013	2012
	£	£
Catering and uniform stock	7,293	3,191

18. DEBTORS

	2013	2012
	£	£
Trade debtors	28,024	17,517
Other debtors	17,254	4,978
Prepayments and accrued income	44,373	54,554
	89,651	77,049

**19. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013	2012
	£	£
Other taxation and social security	39,977	34,551
Other creditors	13,521	11,237
Accruals and deferred income	52,332	74,236
	105,830	120,024

DEFERRED INCOME

Deferred income at 1 September 2012	41,401
Resources deferred during the year	26,078
Amounts released from previous years	(41,401)
Deferred income at 31 August 2013	26,078

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General Funds	16,885	159,912	(171,559)	-	-	5,238
Daycare Fees	50,766	156,027	(124,127)	-	-	82,666
Early Years Single Funding Formula (EYSFF)	-	339,562	(337,401)	-	-	2,161
	<u>67,651</u>	<u>655,501</u>	<u>(633,087)</u>	<u>-</u>	<u>-</u>	<u>90,065</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	46,440	1,759,168	(1,697,631)	(46,250)	-	61,727
Special Education Needs (SEN)	-	38,383	(38,383)	-	-	-
Pupil premium	-	154,051	(154,051)	-	-	-
Sure start grant	19,809	274,687	(293,304)	-	-	1,192
Graduate Teacher Programme (GTP)	-	15,300	(15,300)	-	-	-
Payment by results grant	1,504	4,000	(5,295)	-	-	209
Food growing project funding	-	5,248	(3,989)	-	-	1,259
Trigger funding	-	35,119	(35,119)	-	-	-
Other restricted funds	-	7,644	(7,644)	-	-	-
Pension reserve	(189,000)	-	(50,000)	-	44,000	(195,000)
	<u>(121,247)</u>	<u>2,293,600</u>	<u>(2,300,716)</u>	<u>(46,250)</u>	<u>44,000</u>	<u>(130,613)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	4,046,744	-	(131,756)	-	-	3,914,988
Fixed assets purchased from GAG and other restricted funds	392,285	-	(12,772)	46,250	-	425,763
DfE/EFA Capital grants	199,358	8,753	(6,776)	-	-	201,335
	<u>4,638,387</u>	<u>8,753</u>	<u>(151,304)</u>	<u>46,250</u>	<u>-</u>	<u>4,542,086</u>
Total restricted funds	<u>4,517,140</u>	<u>2,302,353</u>	<u>(2,452,020)</u>	<u>-</u>	<u>44,000</u>	<u>4,411,473</u>
Total of funds	<u><u>4,584,791</u></u>	<u><u>2,957,854</u></u>	<u><u>(3,085,107)</u></u>	<u><u>-</u></u>	<u><u>44,000</u></u>	<u><u>4,501,538</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (continued)

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the Education Funding Agency during the period in order to fund the continuing activities of the school.

Special Education Needs (SEN) funding is received from the EFA to cater for pupils with learning difficulties and other disabilities.

Pupil premium funding represents amounts received from the EFA to cater for disadvantaged pupils.

The Sure Start Grant is funding received from Swindon Borough Council for the Children's Centre.

Graduate Teacher Programme is funding received from EFA towards the salaries of graduates who want to gain Qualified Teacher Status while working.

Payment by results grants is additional funding from EFA for Sure Start Children's Centres.

Food growing project funding is received from the Big Lottery Fund to promote healthy eating by engaging children in a food growing project.

Trigger funding is received from Swindon Borough Council, due to the increase in pupil numbers during the year, since the calculation and allocation of School Budget Share from the EFA.

Other restricted funds represents funding received from various sources and includes income under the following initiatives; Insurance relief, Every Child a Reader (ECAR), Grow 2gether, milk claims and Healthy Weight.

Pension reserve represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from Swindon Borough Council on conversion to an academy.

Fixed assets purchased from GAG represent amounts spent on fixed assets from the GAG funding received from the EFA.

DfE/EFA Capital grants represents funding received for devolved capital and from the Academies Capital Maintenance Fund.

TRANSFERS BETWEEN FUNDS

The transfer from the restricted fund to the restricted fixed asset fund represents the total capital expenditure from the General Annual Grant (GAG) during the period.

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 2013.

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SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/(Losses) £	Carried Forward £
General funds	67,651	655,501	(633,087)	-	-	90,065
Restricted funds	(121,247)	2,293,600	(2,300,716)	(46,250)	44,000	(130,613)
Restricted fixed asset funds	4,638,387	8,753	(151,304)	46,250	-	4,542,086
	<u>4,584,791</u>	<u>2,957,854</u>	<u>(3,085,107)</u>	<u>-</u>	<u>44,000</u>	<u>4,501,538</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	4,542,086	4,542,086	4,638,387
Current assets	91,605	168,677	-	260,282	255,427
Creditors due within one year	(1,540)	(104,290)	-	(105,830)	(120,023)
Provisions for liabilities and charges	-	(195,000)	-	(195,000)	(189,000)
	<u>90,065</u>	<u>(130,613)</u>	<u>4,542,086</u>	<u>4,501,538</u>	<u>4,584,791</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Net incoming resources before revaluations	(127,253)	178,962
Returns on investments and servicing of finance	(348)	(424)
Deficit on disposal of tangible fixed assets	-	750
Depreciation of tangible fixed assets	151,304	138,066
Capital grants from DfE	(8,753)	(163,483)
(Increase)/decrease in stocks	(4,102)	263
(Increase)/decrease in debtors	(12,602)	55,533
Decrease in creditors	(14,194)	(235,174)
Defined benefit pension scheme adjustments	50,000	(1,000)
NET CASH INFLOW/(OUTFLOW) FROM OPERATIONS	<u>34,052</u>	<u>(26,507)</u>

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

	2013	2012
	£	£
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	348	424
	<u> </u>	<u> </u>
	2013	2012
	£	£
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(55,003)	(248,948)
Capital grants from DfE	8,753	163,483
	<u> </u>	<u> </u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(46,250)	(85,465)
	<u> </u>	<u> </u>

24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2012	Cash flow	Other non-cash changes	31 August 2013
	£	£	£	£
Cash at bank and in hand:	175,188	(11,850)	-	163,338
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET FUNDS	175,188	(11,850)	-	163,338
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

25. MEMBERS' LIABILITY

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

**NOTES TO THE FINANCIAL STATEMENTS
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26. 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 Swindon 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 04 July 2012 and of the LGPS 12 July 2012.

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). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return

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26. PENSION COMMITMENTS (continued)

was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations 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 and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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. Importantly, 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 just 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 were to be phased in from April 2012 on a 40:80:100% basis.

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 2013 was £141,000, of which employer's contributions totalled £94,000 and employees' contributions totalled £47,000. The agreed employer contribution rates for the next three years will increase from 11.9% to 12.9% in April 2014, 13.1% in April 2015 and 13.3% in April 2016. Rates for employees for years will be 5.5 to 7.5%.

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

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26. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

	2013	2012
	£	£
Present value of funded obligations	(1,498,000)	(1,231,000)
Fair value of scheme assets	1,303,000	1,042,000
	<u> </u>	<u> </u>
Net liability	(195,000)	(189,000)
	<u> </u>	<u> </u>

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

	2013	2012
	£	£
Current service cost	(143,000)	(90,000)
Interest on obligation	(54,000)	(49,000)
Expected return on scheme assets	53,000	54,000
Past service cost	(33,109)	(6,339)
	<u> </u>	<u> </u>
Total	(177,109)	(91,339)
	<u> </u>	<u> </u>

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

	2013	2012
	£	£
Opening defined benefit obligation	1,231,000	839,000
Current service cost	143,000	90,000
Interest cost	54,000	49,000
Contributions by scheme participants	47,000	44,000
Actuarial Losses	44,000	199,000
Benefits paid	(21,000)	10,000
	<u> </u>	<u> </u>
Closing defined benefit obligation	1,498,000	1,231,000
	<u> </u>	<u> </u>

**GODDARD PARK COMMUNITY PRIMARY SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

26. PENSION COMMITMENTS (continued)

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

	2013	2012
	£	£
Opening fair value of scheme assets	1,042,000	836,000
Expected return on assets	53,000	54,000
Actuarial gains and (losses)	88,000	12,000
Contributions by employer	94,000	86,000
Contributions by employees	47,000	44,000
Benefits paid	(21,000)	10,000
	<u>1,303,000</u>	<u>1,042,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £44,000 (2012: £187,000).

The Academy expects to contribute £101,000 to its defined benefit pension scheme in 2014.

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

	2013	2012
Equities	72.00 %	67.00 %
Bonds	15.00 %	19.00 %
Property	10.00 %	11.00 %
Cash	3.00 %	3.00 %

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

	2013	2012
Discount rate for scheme liabilities	4.60 %	4.10 %
Expected return on scheme assets at 31 August	5.90 %	4.80 %
Rate of increase in salaries	5.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.80 %	2.20 %

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

	2013	2012
Retiring today		
Males	21.3 years	21.3 years
Females	23.6 years	23.6 years
Retiring in 20 years		
Males	23.3 years	24.9 years
Females	25.5 years	25.5 years

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**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2013 £	2012 £
Defined benefit obligation	(1,498,000)	(1,231,000)
Scheme assets	1,303,000	1,042,000
Deficit	<u>(195,000)</u>	<u>(189,000)</u>
Experience adjustments on scheme liabilities	(44,000)	(199,000)
Experience adjustments on scheme assets	<u>88,000</u>	<u>12,000</u>

27. OPERATING LEASE COMMITMENTS

At 31 August 2013 the Academy had annual commitments under non-cancellable operating leases as follows:

	2013 £	2012 £
EXPIRY DATE:		
Within 1 year	416	-
Between 2 and 5 years	<u>3,083</u>	<u>3,915</u>

28. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisation, it is likely that transactions will take place with organisations in which a member of the Board of Trustees may have 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.

During the year a purchase of £850 (2012: £nil) was made from Wessex Conference Limited, a company which M Welsh is sole director and S Haynes is sole shareholder. The outstanding balance at the year end was nil.

There were no other significant transactions during the period.

29. CONTROLLING PARTY

The company is under the joint control of the Trustees. There is no ultimate controlling party.